

**Czech University of Life Sciences Prague**

**Faculty of Economics and Management**

**Department of Management**



**Diploma thesis**

**Evaluation of the product launch**

**Tomáš Petr**

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# CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Department of Management

Faculty of Economics and Management

## DIPLOMA THESIS ASSIGNMENT

Tomáš Petr

Economics and Management

Thesis title

**Evaluation of the product launch**

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### Objectives of thesis

The primary aim of the Diploma thesis is to evaluate and investigate the area of real business practices, particularly the process of launching a new product into the market. The possibility to be part of a business team which is responsible for this sort of activity will give author of the thesis the benefit in terms of understanding how the process is done in real circumstances.

### Methodology

The literature review as well as all practical steps will be study and analyse. Particular quantitative methods of the empirical research as surveys and questionnaires will be used in order to analyze the overall process. The possibility to be part of a marketing team in a chosen company gives author the chance to inquire the process as an ordinary employee (team member) and thus it can be said that one of the methods used will be close perspective observation.

## The proposed extent of the thesis

60 – 80 stran

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### Recommended information sources

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- 

### Expected date of thesis defence

2015/02 (February)

### The Diploma Thesis Supervisor

Ing. Tereza Balcarová, Ph.D.

Electronic approval: 14. 3. 2013

**prof. Ing. Ivana Tichá, Ph.D.**

Head of department

Electronic approval: 3. 3. 2014

**Ing. Martin Pelikán, Ph.D.**

Dean

Prague on 09. 03. 2015

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### **Declaration**

I declare that I have worked on my bachelor thesis titled Evaluation of the product launch by myself and I have used only the sources mentioned at the end of the thesis. As the author of the diploma thesis, I declare that the thesis does not break copyrights of any third person.

In Prague on 31<sup>st</sup> March 2015

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Tomáš Petr

## **Acknowledgement**

I would like to thank Ing. Tereza Balcarová, Ph.D., Ing. Dana Petrová, the company Sapa Building System s.r.o., May society and Techna Praha for their advice and support during my work on this Thesis.

# Evaluation of the product launch

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## Zhodnocení uvedení produktu na trh

### Summary:

This diploma thesis deals with evaluation of process of launching a new product into the market. The investigated product is characterized as a design fenestration solution for residential housing and is called Artline. The product was launched into the domestic market in 2012 (1Q) and in the Czech Republic is sold by a Czech company called Sapa Building System s.r.o.

Selected intercompany issues and situation on the domestic market, with regard to the Artline, was analyzed. Based on the preliminary research, the following five most important challenging areas were defined; marketing activities, marketing strategy adaptation, technical support to customers, distribution process, and finances.

By means of semi-structured interviews and questionnaires spread among the company's employees as well as its customers, further research was conducted. Based on the results, particular recommendations were proposed to the company. Those recommendations might be further used in the process of launching a new product, an upgraded version of Artline, called Artline XL, scheduled for the end of this year.

### Keywords:

Product launch, Marketing communication, Advertisement, Artline solution, Competition, Financial funds, Sapa Building Company, Aluminium

## **Souhrn:**

Diplomová práce zkoumá proces uvedení nového produktu na trh. V této práci se konkrétně jedná o moderní designový posuvný systém oken s názvem Artline, který je vyráběn mezinárodní společností Sapa Building System, která mimo jiné vyrábí nejrůznější hliníkové profily pro další zpracování, především na rámy dveří a oken. Na český trh byl produkt uveden začátkem roku 2012 a je zde prodáván společností Sapa Building System s.r.o.

Cílem daného výzkumu bylo zhodnotit celkovou situaci na českém trhu ve vztahu k produktu Artline. Na základě předběžné analýzy byly definovány následující problematické okruhy v souvislosti s prodejem produktu na českém trhu; marketingové postupy, míra adaptivní marketingové strategie, technická podpora, distribuční proces a finanční prostředky.

Pomocí strukturovaných rozhovorů a dotazníkového šetření zaměřeném na zaměstnance i zákazníky, byl proveden hlubší výzkum, který přinesl výsledek v podobě několika konkrétních doporučení v rámci daných okruhů. Tato doporučení bude případně možné použít při uvedení rozšířené verze produktu Artline (Artline XL) na český trh koncem tohoto roku.

## **Klíčová slova:**

Uvedení nového produktu na trh, Marketingová komunikace, Reklama, Řešení Artline, Konkurence, Finanční prostředky, Sapa Building Company, Hliník

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# 1. Introduction

In today's world of highly competitive, challenging and globalized markets, there exists less space for companies without understanding and actively maintaining innovative strategies. This fact might be supported by famous quotation from Steve Jobs; *"Innovation distinguishes between a leader and a follower."* Innovation plays a huge role in today's business environment and new product launch can be perceived as one of its visible outcomes. Each company must fully understand the process of introducing new product into the market as it is considered as very crucial step in the product life cycle.

Nevertheless, effort spent only on innovation is not enough in terms of ensuring the companies and their products to gain sustainable competitive advantage. Success of a company is said to be dependent above all on satisfied customers. And this is the reason, why marketing, whose main objective is to satisfy the customer wants and needs, plays a significant role in the process as well. This was emphasized by Milan Kundera in one of his quotations; *"Business has only two functions - marketing and innovation."*

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This diploma thesis deals with the investigation of the process of launching new product into the market. The particular product is called Artline and might be characterized as a luxury fenestration solution for residential housing. It is manufactured by international company Sapa Building System operating on the aluminium fenestration solutions market and producing different kinds of aluminium profiles used for further processing into windows and doors frames. The product was launched into the domestic market in 2012 and in the Czech Republic is sold by a Czech company called Sapa Building System s.r.o.

The situation on the domestic market and specifically the environment of the Artline product is analyzed. Based on the research, which deals mainly with challenging areas concerning the Artline performance on the market and selected intercompany processes, particular recommendations were proposed to the company. Those recommendations might be further used by the company in the process of launching a new similar product or the same product into similar market.

## **2. Objectives and Methodology**

### **2.1.Objectives**

The objective of the thesis is to evaluate the current situation on the market where the company Sapa Building System s.r.o. (*further only Sapa s.r.o.*) operates and particularly to analyze the environment where the investigated product “Artline solution” is sold. The purpose of this analysis is to define the most important challenging areas in marketing and also other processes concerning the product. Finally the main aim of the thesis is to improve those currently used procedures and particular steps in order to enhance the overall selling performance of the product on the Czech market.

Partial objective of the thesis is the possible application of those improvements also for other similar markets (countries) where Sapa Building System (international division), (*further only SBS*) offers the Artline solution and/or application for products with similar characteristics on these markets.

### **2.2.Methodology**

Procedures and methods which are used through the whole thesis in different chapters will be mentioned and explained, especially the case study where the mixed method approach is used. In process of gathering primary data, tools as questionnaires and interviews were used.

The theoretical part of the thesis was written based on theoretical background gathered from various literature and internet resources; all of them are listed at the very end of the thesis. This part is focused on the concept of marketing in general and then particularly among others on marketing mix and international marketing. Explanatory research method was chosen for this chapter.

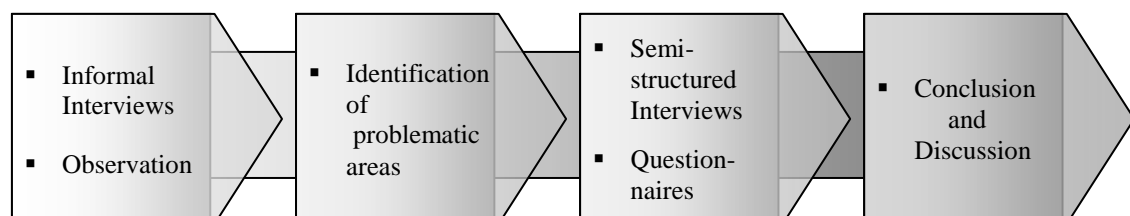
### 2.2.1. Mixed method approach

With respect to the main aim of this research which is not to provide the reader with lots of numbers and tables full of detailed information, qualitative approach was preferred rather than quantitative one. The main purpose of this kind of method is to deeply investigate the area and to explain the wider implication of it. Nevertheless it cannot be said that purely qualitative approach was used. So finally a mixed method approach was chosen as the most appropriate for this particular research.

Another reason why qualitative method approach was prioritized is that that the main intention of this investigation is to observe and understand the issue from as close perspective as possible. According to the fact that my experiences in this area are relatively low, the contribution of all respondents and people involved in this inquiry is more than essential. The results gives us a viewpoint of a real experienced professionals which is for the purposes of this particular research much more valuable than any statistical outcome which can be obtained from a simple quantitative research.

### 2.2.2. Methodical procedure

In order to fulfill the objectives of the thesis, general environment of the company and the overall situation on the market where the product is sold were at first investigated. The methodical procedure is illustrated in the Figure 1.



**Figure 1** – *Methodical approach*  
Source: Own Elaboration

It was mainly done by informal interviews with some of the employees of Sapa s.r.o. (belonging to Sapa Building System division). The only initial requirement was that the chosen employees should know the environment and the background of this particular product very well. That is why this kind of interview was made with four employees working on different positions within the company; General Director, Key Account Manager, Project Manager and the Financial Controller.

Another initial analysis was done within two company meetings/seminars. The first seminar was only for employees of Sapa s.r.o. and was aimed on preparations before a fair trade. Discussions were concerned with the whole scale of products so it was for the purposes of the thesis not as valuable as the second observation.

The second meeting was international and took place in Prague. It was concerned with technical staff of the Artline solution especially focused on managers from countries where the product was recently launched or where the skills with the product are still not on the highest level. Observation of the product situation on different markets during both seminars in combination with the informal interviews was very valuable for further research and many useful information and data were provided.

Based on these data, the most important areas of current problems and difficulties concerning marketing and other processes of Artline were defined.

- 1) Inappropriate selected marketing activities concerning Artline solution.
- 2) Marketing strategy adaptation (international).
- 3) Insufficient technical support by Sapa s.r.o. to selected groups of its customers.
- 4) Current complicated distribution process (logistics).
- 5) Insufficient finances invested in selected marketing and other activities concerning Artline solution.

All five mentioned challenging areas were further on investigated based on semi structured interviews and questionnaires spread among different groups of respondents. The groups were selected according to their relation to the product.

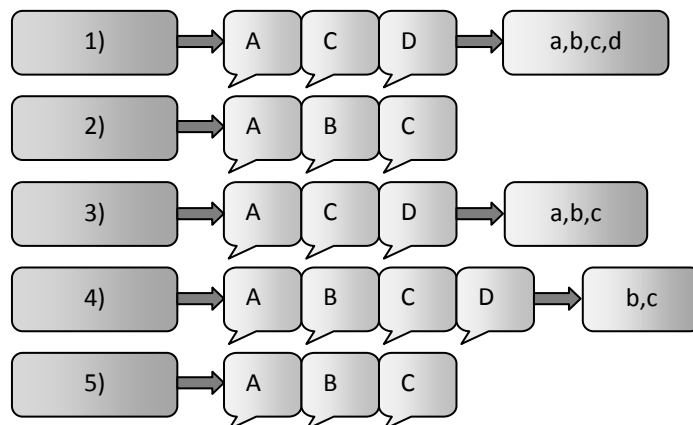
Group A is represented by four most important decision makers in the process of launching the product into the Czech market and its further marketing activities and other supportive activities. This group is represented by the Managing Director, Project Manager, and Key Account Manager working for the Sapa s.r.o. (Czech branch) and by Marketing Manager for the region of Central Europe (Germany, Switzerland, Austria, Poland, Czech Republic and Slovakia). This group can provide information about the current situation in the Czech Republic.

Group B is represented by Marketing Managers responsible for different markets within Europe. These markets are grouped as follows; (a) Scandinavia and Baltic states, (b) United Kingdom and Ireland, (c) Belgium, Netherlands and Luxemburg, (d) France, (e) Portugal and Spain, and (f) Turkey. This group provides information and data useful for comparison of processes in other markets where the product is in most cases more mature and thus experiences from this group of employees is very valuable in terms of potential changes and adjustments of the marketing activities applicable on the Czech market. 4 out of 6 employees responded to the questionnaire.

Group C consists of employees of SBS within the whole Europe and through the whole range of positions (with different responsibilities). 16 respondents finally answered within this group.

Group D is represented by the actual customers and clients of Sapa s.r.o. It consists of three sub-groups; (a) Architects, (b) Fabricators, and (c) Building companies. This group provides information and data from the external point of view which is especially in marketing activities very important for all potential adaptations in the marketing process. In accordance to the overall small number of the customers, which is caused by the nature of the product, total number of 18 respondents is regarded as satisfactory.

Questionnaires were spread among the selected groups of respondents either electronically or personally during different intercompany meetings or appointments with customers. Both sending the questionnaires electronically and spreading them personally was made by means of selected management employees in order to reach the highest possible response rate. Each of the five challenging areas was analyzed based on answers from different groups of respondents. The scheme below illustrates which areas were answered by which groups (and subgroups) of respondents.



**Figure 2– Groups of respondents**  
Own Elaboration

By means of secondary data analysis, evaluation of direct and indirect competition, impact of the economic crisis on the building industry, and SWOT analysis were conducted in order to understand the product’s environment from a complex point of view.



### **3. Literature review**

#### **3.1. Marketing**

One of the first steps in order to understand the process of introducing a new product on the market is to define several terms. As the whole dilemma belongs to the field of Marketing we need to define and understand this term very well. Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large.<sup>1</sup>

This definition was introduced by The American Marketing Association and is approved regularly which illustrates that marketing and its tools is a constantly developing field of science and it is important to keep up with the development. Nevertheless the essential meaning of the term marketing is more or less changeless since it was introduced and can be simply described as the process or technique of promoting, selling, and distributing a product or service or even more simply as an aggregate of functions involved in moving goods from producer to consumer.<sup>2</sup>

In other words by means of marketing tools and instruments, particularly by using marketing mix and marketing communication mix the product or service is introduced on the market.

According to Cooper and Lane (1999) marketing can be divided into four major divisions; Marketing management concept, Marketing mix, Marketing planning process, and Marketing tools. The first three of them determine the basic marketing principles. The last fourth one is a set of tools and techniques which enable quantifiable implementation of marketing principles.

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<sup>1</sup> <http://www.marketingpower.com/AboutAMA/Pages/DefinitionofMarketing.aspx> - 11.11.2014

<sup>2</sup> <http://www.merriam-webster.com/dictionary/marketing> - 11.11.2014

### **3.1.1. Marketing management concept**

This principle can be understood as the main philosophy of marketing. In other words it says that the producer must first of all understand the particular market and its customer's needs and wants in order to be able to make successful business.

There exist five types of marketing management concepts; Production Concept, Product Concept, Selling Concept, Marketing Concept and Social Marketing Concept. (KOTLER, 1998)

#### *(a) Production Concept*

Companies which prefer this concept believe that customers are going to buy the product or service on the assumption that the product is cheap and widely available. The managers thus focus on high productivity and wide range of distribution.

#### *(b) Product Concept*

The main assumption of this concept is that the customers are willing to buy products or services of the highest quality, performance or with new features. It means that the management tends to create sophisticated and innovative products.

#### *(c) Selling Concept*

The philosophy of the Selling Concept is that the customers need to be permanently attracted by the company's selling and promotion efforts. Basically it says that the customers can not be left alone and that the products are not bought but they need to be sold.

#### *(d) Marketing Concept*

Companies which prefer this philosophy focuses on the customer's needs and wants more than any other mentioned concepts. It stresses higher efficiency than the competition. And it believes that setting and subsequently satisfying desires and needs of the market is the key to success. "Love the customer, not the product" might be the most suitable motto for this concept.

*(e) Social Marketing Concept*

This concept is very similar as the Marketing Concept in most of its points but there is a great difference in how the company perceives environment and consumer and basically whole society welfare. In other words it differentiates between a short run wants and long run welfare of the customer and society. It is the latest concept of marketing which might help to achieve profits for the companies in the long run.

For every company it is very crucial to choose the right marketing concept. It is usually the product itself which determines the way of choosing the appropriate concept but sometimes it may be not an easy challenge. In the process of new product launch it is really important to understand the philosophy which the particular company believe in and the whole process must be done in respect to the chosen concept.

### **3.1.2. Marketing mix**

Marketing mix enables us to execute our chosen Marketing concept. It is defined as the set of marketing tools, which the company uses to meet its marketing objectives on the target market. (KOTLER 1998)

There exist many combinations of the particular marketing mix elements. The most used and thus also the oldest perception of marketing mix elements is so called 4P's. It stands for Product, Price, Place and Promotion. This concept was later on transformed into so called 7P's which adds to the basic four elements also People, Presentation and Process. In recent years some other elements were mentioned as important for the fast growing business environment as eq. Politics or Public opinion. Another "form" of marketing mix considers the customer point of view. It is called 4C's and stresses the difference between the producer and customer perception of the particular elements. It stands for Customer solution, Cost, Convenience and Communication. (ZAMAZALOVÁ, 2009) Although is very important which elements we choose for our particular marketing plan execution, we always need to think about it from much broader perspective and perhaps include other elements which even don't start from letter P. Moreover it is still a dynamic process and we should consider this fact. But basically it can be said that during the process of product

launch it is more or less essential to stick to one of the marketing mix approaches, usually it is the 4P's.

### **Concept of 4P's**

As mentioned above in the text, this is perhaps the most famous and used perception of marketing mix. It was introduced by Jerry McCarthy in 1960. It contains four components Product, Price, Place and Promotion. Cooper and Lane (1999) interpret all of the components as follows;



**Figure 3 – 4P's Marketing mix concept**  
Source: Kotler (1998)

### **Product**

Among the components of “product” are included mainly its features and attributes which participate in the customer satisfaction. The character and number of the components are based on the nature of the product itself. It holds not only for products but for services as well. By other additional services the company can gain competitive advantage on domestic and international markets. (KOTLER 1998) The main attributes are;

- Quality
- Brand name
- Functionality
- Packaging
- Warranty, repairs and support
- Design
- Accessories and services

## Price

The right price tactics is crucial in terms of marketing mix and moreover also for the whole process of new product launch. Its components are;

- Retail price
- Payment conditions
- Discounts
- Payment period

## Place

In some sources the term Place is replaced by Distribution. It refers to the placement and availability of the product on the market.

- Locations
- Distribution channels
- Transport
- Warehouse size and location
- Coverage
- Assortment

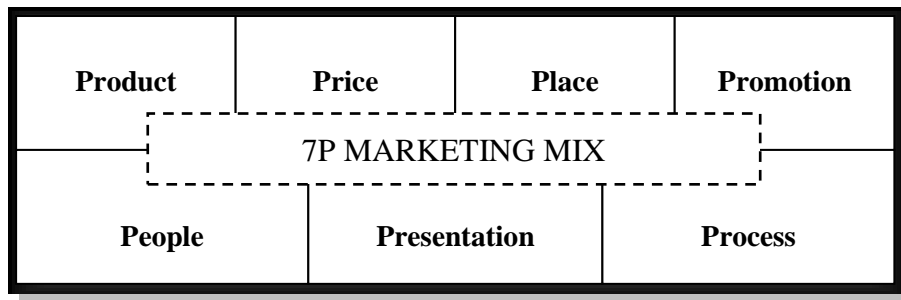
## Promotion

It refers to the way of communication with potential focus group of customers. Its goal is to generate positive customer response and thus his/her satisfaction.

- Advertisement
- Sales promotion
- Public relations & Publicity
- Direct Marketing
- Sales force

## Concept of 7P's

In addition to the mentioned 4P's there exist extended approach which adds another 3P's. These are People, Presentation and Process.



**Figure 4 – 7P's Marketing mix concept**

Source: Kotler (1998)

### People

This links to everybody who is somehow involved in the marketing process and their abilities and skills.

- Employees
- Management
- Skills
- Training
- Organizational culture
- Customer service

### Process

This element of marketing mix influences time and the way of serving the final customer. Its level has a great effect on creating repetitive sales.

- Response time
- Time of delivery
- Time of waiting for the product/service

### Presentation (Physical Environment)

It refers to the overall level of all selling and representative areas.

- Size
- Facilities
- Atmosphere
- Comfort
- Cleanness

#### **3.1.2.1.        *Marketing communication tools***

Generally, there are defined five main tools of marketing communication, (a) Advertisement, (b) Sales promotion, (c) Public relations & Publicity, (d) Direct Marketing, and (e) Sales force. Each of them has its characteristics and is useful in different situations for different products. In order to be successful and effective in using the right communication tools it is important to consider not only the advantages and disadvantages of each tool but also the life phase of the product.

According to Kotler (1998), the most efficient tool during the introduction phase of the product life cycle of the product is advertising and PR followed by sales force and sales promotion. These three tools are analysed in the practical part of the thesis, especially advertising and sales promotion. Finally some particular steps are proposed to the company.

#### **3.1.3. Product Life Cycle**

Introduction of a new product on the market is just a beginning of the whole life of the product. Accordingly managers must be aware not only of the conditions and circumstances of the phase of introduction of the product but also about its possible future effects influencing its successful or less successful life. The theory of a product life cycle is very complex theory and thus it will be analyzed only in brief in this thesis. It is common

that a company reworks its marketing strategy couple times during the products life. The reason for that is not only the economic situation and changes in competition but also the changes in customers' needs and wants.

The life cycle of demand/technology is an important term as well. It explains how demand for certain product is influenced by technology and this is important as long as this thesis is dealing with certain technological solution. This phenomenon will be thus studied later in the text.

### Product Life Cycle phases

According to Kotler (1998), if product has a life cycle than the following facts are valid;

- Products have finite lifetime.
- Different marketing, financial, production, selling and personal strategies are desired in different stages of the life cycle.
- Profit is fluctuating according to the life cycle stages as well.

The changes in profit and sale are illustrated by so called S-curve. The time axis is divided into four main stages; Introduction, Growth, Maturity and Decline. As this thesis is dealing with the phenomenon of introducing the product, the stage of Introduction will be studied in detail.



**Figure 5 – Product life cycle phases**  
Source: Kotler (1998)



### Introduction Phase

If we speak in terms of a market and not in terms of the product as such, the life of the product starts with the introduction on the market. Profit reaches low or negative values in this phase and simultaneously the expenses on promotion and distribution are high. High expenses are mainly caused by the need to inform customers about the new and yet not know product, by persuading customers to try the product and also by distributing the product to the potential resellers.

Nevertheless this fact holds mainly for products sold by retailers, which is not the case of the product examined in this thesis. Another difficulty in this phase is that the price of the product must be kept relatively high with respect to all expenses connected to the initial steps of introducing the product on the market.

If we consider two basic marketing variables; price and promotion, marketing management can then choose one of the strategies shown in the Figure 6..

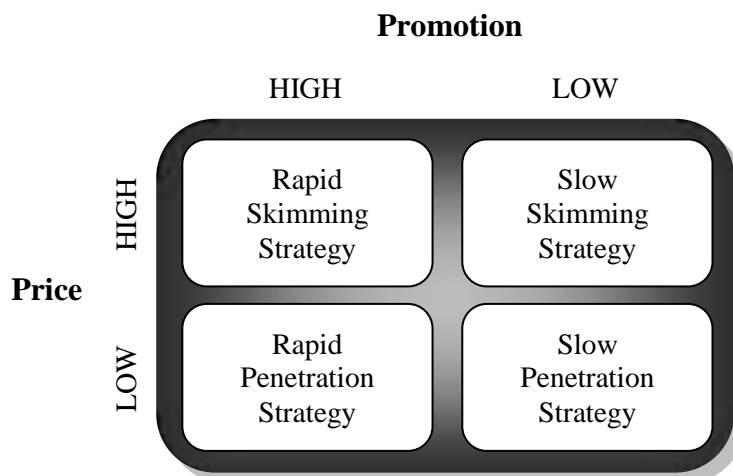


Figure 6 – Market entry strategy  
Source: Kotler (1998)

### **3.1.4. Niche Marketing**

Niche marketing refers to a process of selling a product or service in a special area of demand. It must be designed to meet unique needs and wants of the targeted segment of a market. It means that the product is not sold to the broad range of customers but rather to actual narrow group of consumers. This is the case of the examined product in this thesis. The Artline solution is designed and produced only for certain target group of customers and thus the whole process of marketing communication must be to certain extent adjusted for those purposes.

It is said to be very cost efficient and effective way to advertise and sell particular products or services to particular buyers. It simply costs less to communicate to a specialized market than to spend financial and other resources on advertise to a broader market. The whole concept is nowadays even more feasible due to internet and modern communication devices. (RODRIQUEZ, 2012)

### **3.2. International marketing**

With regard to the fact that the investigated company in this thesis is operating worldwide and thus needs to understand the international environment, we will analyze the process of product launch from the international perspective as well. And because the product launch is a marketing process, we will focus on international marketing and its tools in particular.

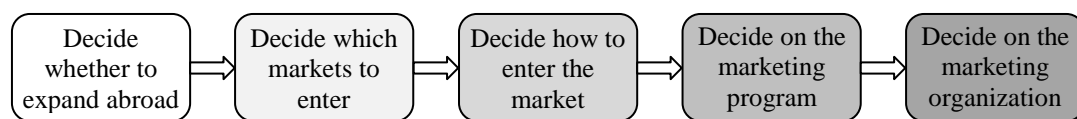
“International marketing consists of the activity, institutions, and processes across national borders that create, communicate, deliver and exchange offerings that have value for stakeholders and society. That is why the international marketer is subject to a new set of macro environmental factors, to different constraints, and to quite frequent conflicts resulting from different laws, cultures, and societies. The basic principles of marketing still apply, but their applications, complexity, and intensity may vary substantially.” (CZINKOTA, RONKAINEN, 2012)

In today’s world of globalization, there exists less and less space for non-international companies. There are basically two possible ways of how to behave in the multinational market. Either the company behaves defensively which means that it is passive in terms of moving into other markets. This kind of attitude will for many firms probably lead to the situation when the global market will come to them as new competitors target their local markets. From this point of view there is a need to be rather proactive than reactive.

Contrary to the defensive stand is an offensive strategy. For companies who want to spread into the global market is such a kind of strategy inevitable. In order to maintain this strategy, the company can do many steps, eq. increase promotional spend in key national markets or joint venture might be one of the possibilities how to lower the risk and cost during the process of entering the global market. (SMITH, TAYLOR, 2004)

Once the company is in situation when it needs to decide whether to start entering new markets or not, it must consider three major groups of determinants which influence the possible success or failure; group of internal and external factors and chosen marketing strategy. But before the final decision there arise according to Kotler (1998) five main questions to be answered.

- Which factors should the company consider the most when entering new foreign market?
- What is the best way how to choose and assess particular foreign markets suitable for entering?
- What is the most proper method of entering foreign market?
- To which extent should the company adapt its products and promotion in every single market?
- How should the company manage and organize its international activities?

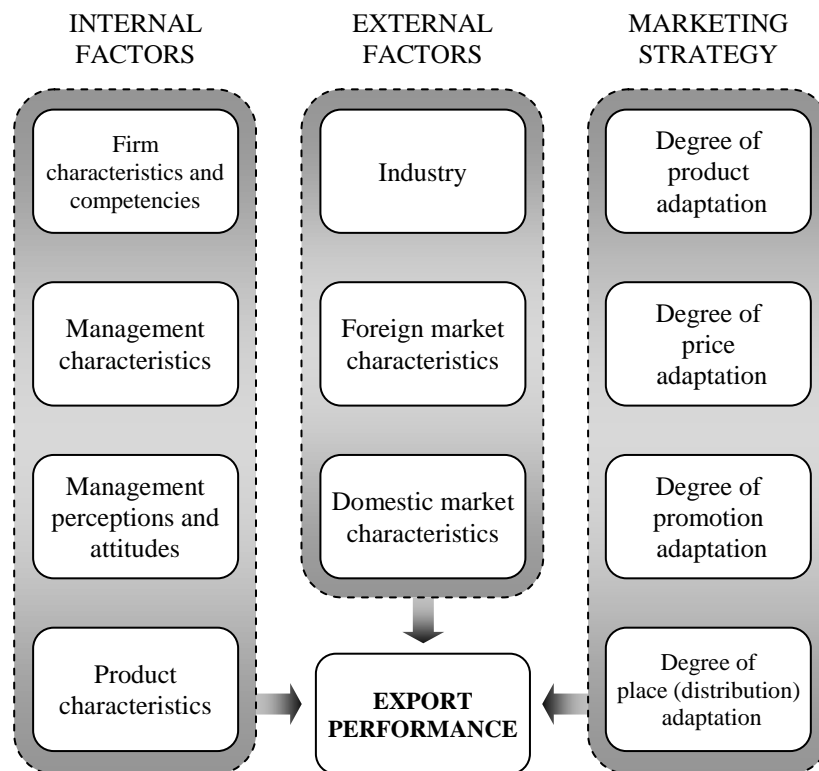


**Figure 7** – Major decisions about int. Marketing  
Source: Kotler (1998)

### 3.2.1. Determinants of export performance

With respect to the fact that success or failure of the product launch process is in our case heavily dependent on the export performance makes this topic really important for the purposes of this thesis. Especially because the product which will be further on investigated is manufactured in foreign country and thus needs to be imported to other markets. Understand all the factors which more or less influence the level of export performance will help us to evaluate the product launch in the best possible way.

Besides marketing strategy as one of the major determinant of the export performance, Lages (2000) indicates two other groups of variables; internal and external factors. It will be further on mentioned how marketing strategy can through standardization and adaptation influence performance of a company in terms of export. Nevertheless internal factors (firm characteristics, management characteristics, management perceptions and attitudes and product characteristics) and external factors (industry, foreign market characteristics and domestic market characteristics) are also very important to mention when analyzing the phenomenon of launching a new product into foreign markets.



**Figure 8 – Determinants of export performance**  
Source: Own elaboration

The most important variables according to Lages (2000) are following;

### **3.2.1.1. Internal factors**

#### **1) Firm characteristics and competencies**

Based on previous researches there exist positive relationship between export performance of a company and its (a) size, age, experience, export size, international competence and technological strength. In other words if each of those variables increases, the export performance would increase as well.

#### **2) Management characteristics**

Concerning the area of management characteristics, positive relationship was found between export performance and above all the following variables; top management experience, training of managers in international business and foreign languages knowledge. Moreover Cavusgil, Zou, and Naidu (1993) state that managers are advised to adopt a contingency approach which stands for maintaining neither pure adaptation nor pure standardization of product and promotion.

#### **3) Management attitudes and perceptions**

Companies which perceive fewer risk and barriers to exporting suppose to perform well in the international business.

#### **4) Product characteristics**

The impact of product characteristics on export performance is with no doubt very significant. According to theory, product technology, product uniqueness and extension of a product line have the biggest influence on export intensity.

### 3.2.1.2. *External factors*

#### 1) *Industry characteristics*

When talking about industry and its influence on export performance, we need to mention especially those factors; “industry’s stability level, predictable changes, speed of change, seasonal/cyclical fluctuations, risk level, competition level and number of new competitors” Lages (2000). Also technological intensity and complexity of the manufacturing process (technical know-how involved with products) is regarded as significant variables.

#### 2) *Foreign market characteristics*

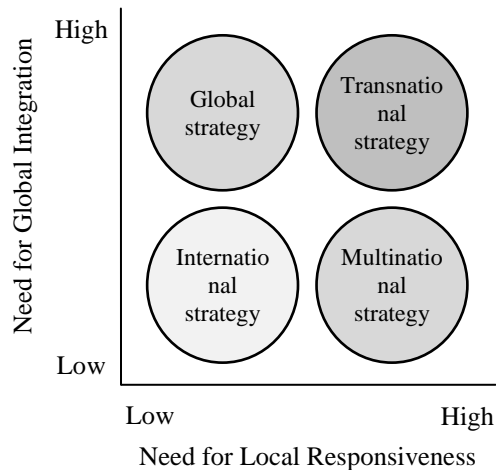
Results from different investigations on this topic show us that export performance is neither positively nor negatively linked with the conditions on the foreign market. Some of the researches reveal that exporting to high developed markets (countries) is positively correlated with the export profit but some other investigations showed us completely opposite results. Positive or negative relationship is set by the nature of the product. In some cases, it might be an advantage to export to less developed countries due to lower competition. On the other hand, products which need good operating conditions or need other complementary products will more likely success in high industrialized countries.

#### 3) *Domestic market characteristics*

Key determinants which influence the export performance in terms of domestic market characteristics is definitely politico-legal issues in domestic market and existence (non-existence) and functionality of governmental agencies supporting export activities. And finally also the “country of origin effect” plays a huge role. It might be either positive or negative but for many consumers this variable is one of the most significant factors.

### 3.2.1.3. *Marketing strategy*

In case that the company is finally decided to spread into foreign markets, i.e. maintaining offensive strategy, it consequently needs to make major decision about its global marketing strategy. According to Furrer (p.81-98) there exist four generic worldwide strategies;



**Figure 9** – Four generic worldwide strategies  
Source: Furrer (2009)

#### 1) *International strategy*

- strategic and operational decisions are developed in the home and only subsequently transferred abroad to be adapted to the local market

#### 2) *Multinational strategy*

- strategic and operational decisions are decentralized to the strategic business unit in each country so as to allow that unit to adapt products to the local market

#### 3) *Global strategy*

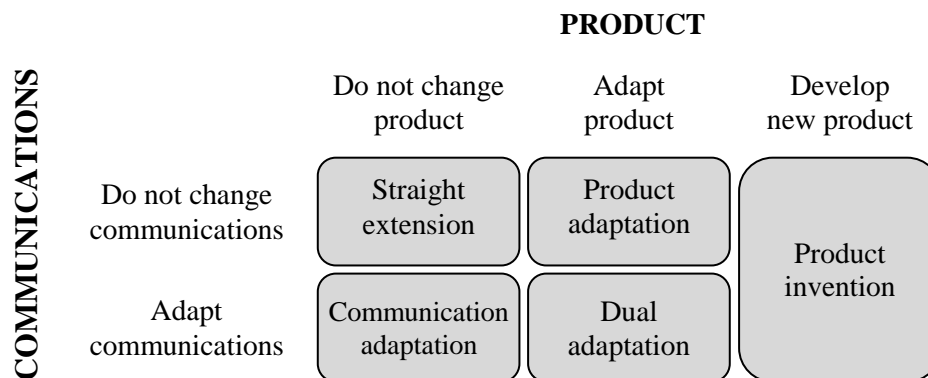
- Firm offers standardized products across country markets with competitive strategy being dictated by the home office

#### 4) *Transnational strategy*

- Firm seeks to achieve both global efficiency and local responsiveness by coordinating and integrating activities across countries



There exist five product/communication strategies for multinational marketing. “These were determined by the state of the various international markets, analysed by (a) whether the need (or product function) was the same as in other markets, (b) whether the conditions of product use were the same as in other markets and (c) whether the customer had the ability to buy the product.” (SMITH, TAYLOR, 2004)



**Figure 10 – Product/Promotion adaptation strategy**  
Source: Kotler (1998)

1) *Same product/ Same communication (Straight extension)*

This applies if the need and use in the home market are similar to the new market.

2) *Same product/ Different communication (Communication adaptation)*

This applies to markets where the need is different but the condition of product use are the same.

3) *Different product/ Same communication (Product adaptation)*

This strategy applies when the products are different to each other but the need or function is the same.

4) *Different product/ Different communication (Dual adaptation)*

5) *New product/ New communication (Product invention)*

Manipulating of the major four marketing components (Product, Promotion, Place/Distribution and Place) determines the extent to which the marketing program will be adapted at the international level.

### Product

Based on researches which were introduced by Lages (2000) are the biggest determinants of export performance the following variables; product quality, service, policy, extent of product lines, brand name, packaging, styling, appeal, warranty, features and design.

- 1) When the communication is the same for one product in every market we call it *straight extension*. It means that the launch of the product is same for each country where the company operates. It brings some advantages but basically there exist only very few companies which can say that they maintain pure straight extension strategy (if we only consider the differences in laws and regulations it would be almost impossible to standardize the whole communication mix).
- 2) *Product adaptation* promotion strategy involves certain adaptation of a product for particular market where is the new product launched. The changes usually include adaptation in terms of local preferences and conditions of the market and its customers. It is appropriate when the physical event surrounding product usage differs but socio-cultural event is the same as in the market of origin. (FURRER, 2009)

### Promotion (Communications)

In terms of communications, the main determinants influencing export performance of the company are advertising budget, sales promotion, public relations, personal selling and overall promotion. Lages (2000) In cases when the promotion (communication) must be modified to certain stage, we distinguish between two strategies; communication adaptation and dual adaptation.

- 3) *Communication adaptation* strategy is maintained when the product remains the same for all markets but the promotion process must be adapted for each market separately. “It is often chosen when reasons for buying product differ from country to country, but the usage conditions and standards remain identical. This strategy is quite cost-effective because communications adaptation is less expensive than tailoring a product to the local market.”(FURRER, 2009) There exist four levels of adaptation; (a) the main message of a company can be modified only in language, colours and names, (b) the message is same but the facture differs from country to country, (c) the promotion message exist in few alternatives and each country can choose the most appropriate for its own market and (d) each market creates its own most suitable promotion message. (KOTLER, 1998)
  
- 4) *Dual adaptation* strategy is followed by a company when both communications and product must be adapted to certain level. (Usage conditions and socio-cultural concerns vary among different markets) According to Smith and Taylor (2004) this approach can destroy uniformity and a consistent global presence, but it does allow more creativity to suit the specific needs of the local market.

### ***STANDARDIZATION vs. ADAPTATION***

Due to significant improvement in transportation technology and advancement in communication in the beginning of this century, the concept of global marketing became very current issue for many companies as well as for the academics.

Basically we can distinguish between two extreme points of views. One of them is that due to the fact that markets became so homogenized, international companies can standardize their international marketing process and program and that they can market identical product and services across national boundaries. The other point of view is that long existing cultural, political and economical differences among nations require that marketing programs must be adapted to every single region or country. (CAVUSGIL, ZOU, NAIDU, 1993)

### Standardization perspective

In contrast to the marketing program adaptation, proponents of standardization usually point out that the world market tends to be more and more homogenized which brings ideal condition for the companies to bring them benefits in terms of saving costs spend for potential adaptation of the program. Moreover they say that the technology helps to homogenize also the demand of customers for various products which promotes the standardization as well. One of the most significant advantages of standardizing the process is according to many authors the economies of scale achieved by non-adaptation of the marketing program and thus saving a lot of costs. As a result companies achieve higher competitiveness in the whole global market. (CAVUSGIL, ZOU, NAIDU, 1993)

Smith and Taylor (2004) summarize advantages and disadvantages of central strategy and central production as follows;

#### Advantages

- + Consistent image
- + Saves costs (in terms of spending on marketing activities – centrally designed/produced materials etc.; economies of scale)
- + Releases management time (reduces size of creative team)
- + Facilitates transfer of skills
- + Easier to manage centrally (less decisions and projects to manage)
- + Works when the Country of Origin Effect is positive
- + Suitable when company sells products through direct exporting or own subsidiaries

#### Disadvantages

- Stifles creativity (stops local creative contributions)
- Frustrated local management (less control over future activities)
- Lost opportunities to quickly react on local market changes
- Different product life cycles
- Wrong idea (central advertising concepts may not work as good as local ones)
- Does not work when the Country of Origin Effect is negative

### Adaptation perspective

Based on theoretical background the most significant differences among nations are culture, stage of economic and market development, legal and political systems and life style of customers and their values. These should be theoretically the most focused issues when looking at this phenomenon of marketing program adaptation.

There is also a difference in perceiving the adaptation in rural areas and urban areas. In rural areas the extent to which the product should be adapted is higher than in urban areas; especially in the developing world. Authors who argue against marketing program standardization also say that adaptation of the program makes the products or services more competitive on the markets. Moreover the process of standardization of brands with common product names, features and advertising is said to be inappropriate for overwhelming majority of the companies. (CAVUSGIL, ZOU, NAIDU, 1993)

### Contingency perspective

“More recently, researchers have proposed that neither complete standardization nor complete adaptation of marketing program is conceivable. Instead, they advocate a contingency perspective on the standardization vs. adaptation issue. According to this perspective, standardization and adaptation should be viewed as two extremes of the same continuum.” (CAVUSGIL, ZOU, NAIDU, 1993)

With respect to fact that the perspective on how to implement the marketing program depends on many internal and external factors, the contingency perspective is probably the most suitable philosophy for majority of multinational companies. The problem arises when the particular company must set the degree to which it will standardize or adapt its marketing program. As already mentioned, it depends on variety of internal and external factors such as industry, environment, culture, legal conditions, competition, target market, market position, nature of product, organizational factors, and many others. (CAVUSGIL, ZOU, NAIDU, 1993)

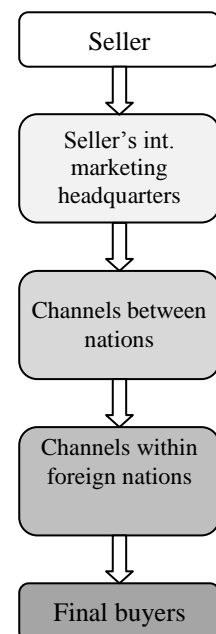
## Price

When it comes to price politics it might be very complicated for many international companies to be able to set the price right in all of the markets they operate. Kotler (1998) defines three main possibilities of the price setting process; (a) set the price equally for the whole global market which is usually very tricky, especially when the company operates through the whole scale of markets, (b) setting the price level for each country separately (this approach is specific because of different costs in different markets. Moreover it might lead to situations when some retailers would buy the product in one country and sell it in another. On the other hand this applies mostly for products with very high selling quantities and in many cases the logistical difficulties would not allow to make this problem significant) and finally (c) setting the price according to the costs of the product associated with the particular market (location).

## Place (Distribution channels)

Distributing the product from the very beginning which is the seller to the end user is for many international companies very complex and thus complicated process. In the Figure 11 we can see that between the seller and the ultimate user are three major links.

- In the first link the seller's international marketing headquarters (export department or international division) makes decision on the channels and all the other marketing mix elements.
- Second link represents the channels between countries and cares about transportation of goods to borders of each country. This link makes decision on intermediaries such as trading companies, agents etc., on the means of transport used, whether by air, sea etc. and also on financing the process.
- The third link moves the product within the country; from the borders to the end consumer.



**Figure 11 –**  
*Distribution channels in int. marketing*  
Source: Kotler (1998)

### Distribution channels intensity

International companies willing to sell their products worldwide need to set an appropriate strategy in terms of distribution. They must decide on the number of intermediaries to use at each channel level.

Three basic approaches are available; (a) intensive distribution, (b) selective distribution and (c) exclusive distribution. The chosen strategy is definitely affected by many internal and external factors, but above all it is a nature of product and the production quantity expected. Intensive distribution stands for strategy where the company wants to distribute to as many outlets as possible and contrary to that the exclusive distribution policy is to distribute only to one intermediary at a given level in a given area. The broad middle ground refers to selective distribution.

With respect to the fact that the product which is investigated in this thesis is a product with quite narrow scale of end customers, the strategy of selective distribution or exclusive distribution is most likely to be chosen. “The exclusive strategy is used when the producer wants to maintain the control over the service level and the service output offered by the resellers. While minimizing costs, exclusive distribution tends to maximize channel goodwill and channel control. It is easier for the manufacturer to have completely satisfactory relationships with a few intermediaries than with many in a given area. When maintaining the selective distribution strategy, the company does not have to dissipate its efforts over too many outlets. It enables the producer to gain adequate market coverage with more control and less cost than intensive distribution.” (OSMAN, WESTGERD, 2008)

### **3.3.SWOT Analysis**

There is no extra need to introduce the concept of SWOT analysis; nevertheless in the process of product launch there is always required an analysis of the external as well as the internal environment of the company in order to be able to conduct a strategic plan. That is why this analysis will be introduced in this chapter.

The objective of SWOT analysis is the confrontation of the firm's internal strengths and weaknesses and its external opportunities and threats. "Examining a company's internal and external environment is essential in the process of strategic planning. The strategic analysis which includes the analysis of strengths, weaknesses opportunities and threats investigates both, internal and external as well as positive and negative factors of a corporation.

On the basis of the SWOT analysis a marketing strategy can be developed using corporate strengths as well as avoiding corporate weaknesses to enable a company to benefit from future opportunities with regard to future risks. Within the analysis, broad information from the company, competitors, market and environment can be gathered using potential analysis, competitor analysis, market analysis and environmental analysis." (BÖHM, 2009)



## 4. The empirical part

### 4.1. Company

The product which is examined in this thesis is manufactured and sold by international company Sapa AS Group. Sapa AS is the world leader in aluminium solutions. It is a manufacturer of extruded aluminium profiles established in Norway originally in 1963 with its headquarters in Oslo. In more than forty countries are employed about 23, 500 people. Net sales for the year 2014 were equal to 5,42 bill EUR.

The main objective of the company is to *shape a sustainable future through innovative aluminium solutions*. Five main values of the company are stressed in terms of reaching the main aim of the business. They are;

- Customer First
- Trustworthy
- One Company
- Entrepreneurship
- Accountability



It operates in three business areas; (a) Extrusions, (b) Precision tubing, and (c) Building system.

(a) Sapa Extrusions produces extruded aluminium profiles (cutting, bending, hydro forming, CNC processing, painting etc.). These profiles are further used as components in buildings, machines and many other applications. The main benefits of aluminium are its weight, versatility, ability to shape easily, and perfect recycling (100%). Sapa Extrusion operates in three geographical areas; Europe, Americas and Asia.

(b) Sapa Precision Tubing manufactures aluminium tubing solutions in heat transfer applications for solar, automotive, heating, ventilating, and air conditioning market segments.

(c) Sapa Building System develops and markets facade and fenestration solutions; windows and doors. Moreover the company offers building integrated photovoltaic power generation and other specialist applications.

Among the portfolio of brands owned by Sapa Group belong the following brands; Domal, Original Systems, Technal, Sapa Building System, and Wicona.



The Czech branch was established in 1993 as a joint venture of Lucien Stevens's company and Czech company called Stavitelství Kladno. In 2001 was the company bought by RC SYSTEMS N.V. and in the same year it was included in Remy Claeys Aluminium N.V. In 2004 is the company officially a part of Sapa Group and since 2006 is called Sapa Building System s.r.o. Currently the company has 8 employees, before 2013 (2014) it was 14, but the situation will be explained further in the thesis.

## **4.2.Product**

ARTLINE is a sliding door solution developed by SBS in order to satisfy customers desiring to have large windows/doors with minimal frame. The sliding door is made of insulated aluminium profiles and is developed for large glass walls to open up the room. The threshold is lowered into the floor and the frame is built in inside the walls at the sides to make the impression of no frames. Each frame can carry up to 320 kg, allowing both large and heavy glazed infills. Artline windows can reach up to three metres in height.

The window's large sizes coupled with a minimal visible frame width allow building interiors to be flooded with light. Its design implies a conscious effort to create an art object that is both functionally and aesthetically pleasing.

The range of functions that Artline is able to perform is extensive, giving it a high level of practicality. Floor to ceiling glass walls can easily be opened and closed to let the outside come in. Artline's aluminium window technology includes optimal thermal and acoustic insulation, high weather resistance and security solutions.

The versatility of the Artline window frames combines weather performance, energy savings and large moveable floor to ceiling glass walls. Moreover one of the most unique characteristics of this solution is so called a “floating corner” which means that there is no mullion in the corner of the room.



**Picture 12– Artline solution**  
Source: [www.artlinebysapa.com](http://www.artlinebysapa.com) (1.2.2015)

The high level of technology used within Artline frames makes it top performing;<sup>3</sup>

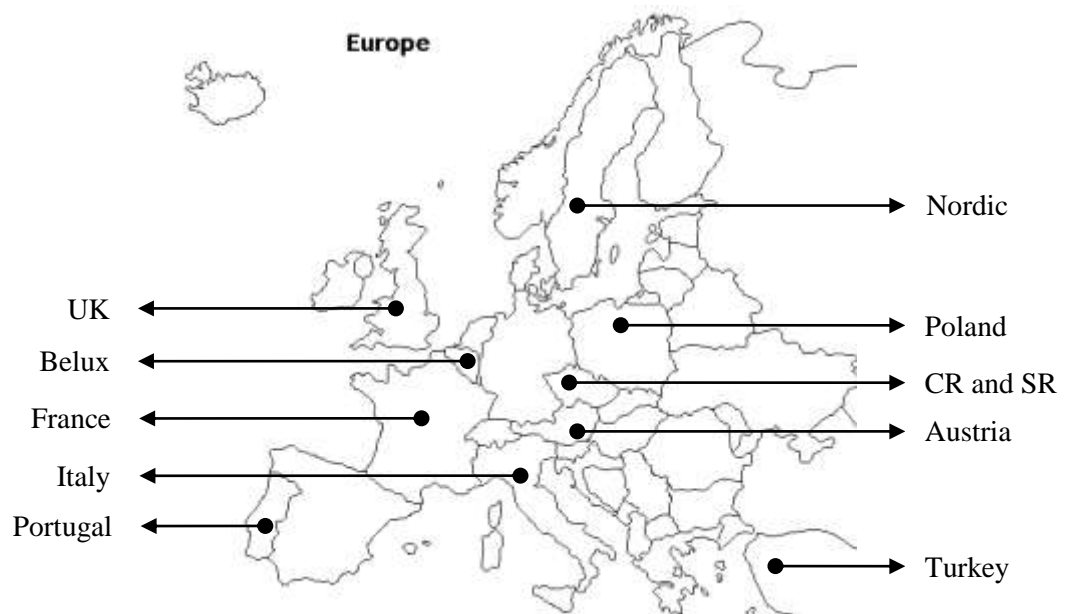
- Security
- Durability
- Transparency
- Insulation
- Watertightness
- Airtightness
- Windresistance

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<sup>3</sup> Sapa Building System - Internet site - <http://www.artlinebysapa.com> (1.2.2015)

It is very important to say that SBS produces only the aluminium profiles and not the product in its final form (window or a door with glassing etc.) This is done by specialized companies. Nevertheless Sapa is delivering besides the aluminium profiles also a technical solution which is further on consulted with the customer, in that case so called fabricator. The issue of customers and their relationships among each other will be discussed in the next chapter.

The product was launched into the Czech market in the year 2012. It was approximately one year after it was launched in most of the countries (markets) in the rest of the Europe where SBS operates. The reason for that was primarily because of the necessity to adapt the distribution channel (logistics) of how the product will be delivered to the Czech Republic. The active Artline markets in the year of the launch are illustrated in the following picture.

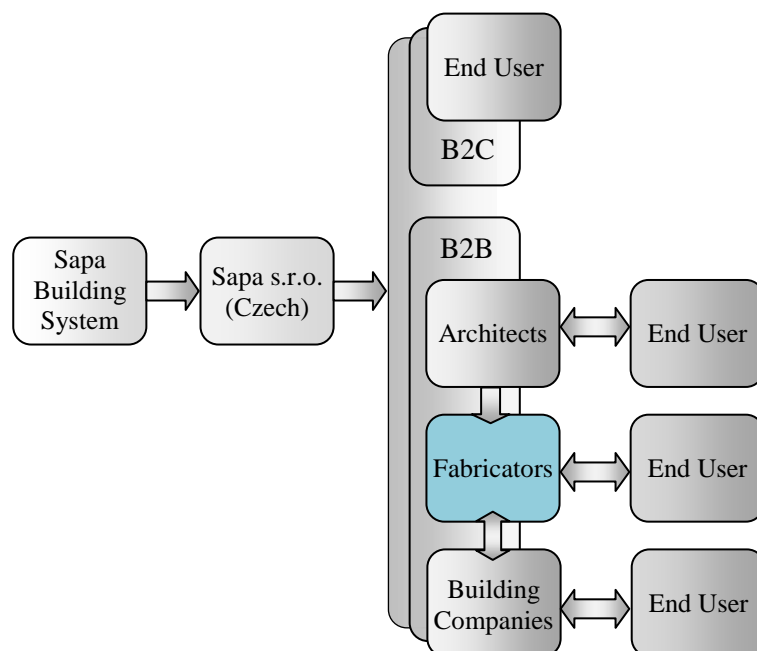


**Picture 13** – Active Artline markets  
Source : Own elaboration

The aluminium profile is nowadays manufactured (extruded) and further processed in Belgium and then exported into other markets as a finished product. This is mainly done because the process of manufacturing the profile into the final product is in this particular case very complicated. For certain countries it causes quite a complicated process but this topic will be analyzed into detail further on in another chapter of this thesis.

### 4.3. Customers

According to the nature of the product, which is a luxury window solution mainly for residential sector, the end customer is in major cases an individual (family) with higher level of income and standard of living with specific demands on the product characteristics focused on design, comfort and quality. Nevertheless it does not mean that the company communicates only with the end user. Conversely it is very important for the company to communicate with all the participants of a supply chain before the final product reaches the end user. We can divide the customers into four major groups. These groups and the communication between them are illustrated in Figure 14.



**Figure 14** – Customers of Sapa s.r.o.  
Source: Own elaboration

From a pure technical point of view, the only direct customer of Sapa is a group of fabricators. As mentioned above, Sapa produces only the aluminium profiles which are further on processed into a final product (window/door). This is done by specialized companies. The process of constructing the final product from this particular aluminium profiles is very technically specific and difficult, mainly due to the minimal sizes of the frames and other technical characteristics of the product.

The group of customers represented by architects is very important for the company as they are in most of the cases the decision makers. It holds especially for this particular product because the end user is usually not technically informed about the range of products and the market as such so the final decision what kind of solution will be used is heavily dependent on the architects. On the other hand, it is very difficult for the company to communicate and keep close relationship with architects due to the fact they need to know huge range of product in different categories. Nevertheless the uniqueness of the product makes the whole process much easier in comparison to ordinary products.

Investors or end users are usually the idea makers which means that it is this group of customers who come up with the idea or desire of having big sliding doors across the whole room. And thus the communication must be also aimed at this group in order to evocate this desire and create particular visualization of realized projects. Especially with respect to the fact that the end users are making decisions based on visual appearance.

The last group of customers; building companies is not as important as the three groups mentioned above in terms of communication and further potential cooperation. Nevertheless some of the companies which cooperate with Sapa s.r.o. in processing the aluminium profiles into final products are also building companies which can lead to creating synergies in terms of simplification of the whole process.

## **4.4.Competitors**

In order to be successful on the market, each company has to pay attention and understand not only the customers but also its direct and indirect competitors.

The market of extruded aluminium profiles, particularly production of facade and fenestration solutions (windows and doors) is in Czech Republic so far not as extended as in other countries where SBS operates. This fact might be perceived from more points of view but this will be discussed in more detail further on in the thesis.

### **4.4.1. Indirect competitors**

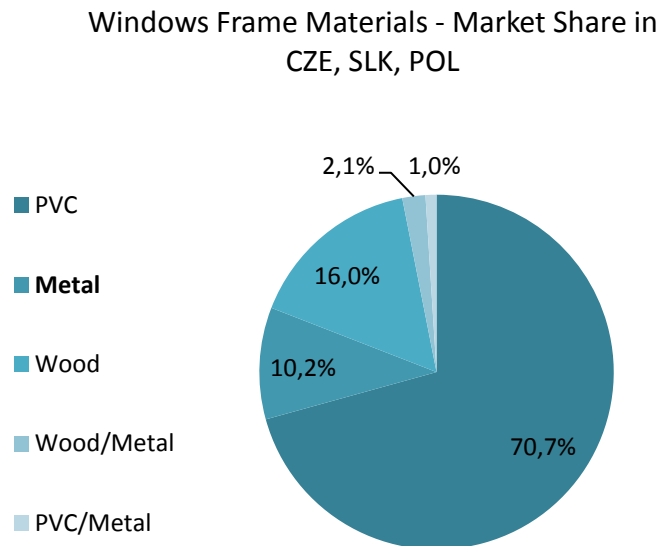
The market with windows and doors can be divided into three main groups according to the material used; plastic, wood, and metal (mainly aluminium). Companies doing their business in plastic and wood can be considered as indirect competitors of SBS.

The biggest market share has the plastic windows and doors segment. In the Czech Republic it is currently more than 70% of the whole market and it is also the mostly used material also within the whole Europe (on an average). Moreover the demand is expected to be rising in almost all regions of the world. The reason for that is the lowest costs among the materials, wide range of use, minimal maintenance requirements, long durability, and good insulative characteristics.

The wooden doors and windows has currently 16% of the market share in the Czech Republic and are mainly used in the higher class residential housing and historically protected buildings. The biggest disadvantage of windows and doors made of timber is the needed maintenance of the material. It needs to be painted regularly, approx. every five years. The solution for this disadvantage may be the wooden windows and doors with aluminium cladding. Such products made of mixed materials are sold even on the Czech market nevertheless they do not represent noticeable market share so far.

Another disadvantage of the wooden material products is its price, which is relatively high in comparison to PVC windows but still comparable (and even lower on an average) with aluminium windows.

Aluminium as a material used for constructing windows and doors frames with about 10% of the market share (CZE, SVK, POL region) is besides combined material products the least used material. In the Czech Republic the market share is estimated to be even less than 10%, about 6%. Nevertheless these numbers hold for the market only with door and window frames but SBS operates even within the facade solutions where aluminium is very used material with good characteristics for those purposes. The biggest advantages are unordinary appearance, long operating life even with minimal/none maintenance, good security features (fire, burglary etc.), 100% recycling, and above all that the material is solid and light which enables to construct bigger glazed frames than from wood or plastic. And this is where the product Artline is differentiated among other windows solutions, in its size and elegancy in combination with its light and solid features. The only noticeable disadvantage of those big aluminium frames compared to other materials is its relative high price. That is why the solution is mainly used in luxury residential housing.



**Graph 15** – *Windows Frame Materials - Market Share in CZE, SLK, POL (2013)*  
Own Elaboration, Data Source: Interconnection Consulting



The main characteristics of PVC, wood and aluminium; materials, which are having the biggest market share on the market with fenestration solutions, is illustrated in the table below.

Characteristics of Fenestration Solution Materials

	<b>PVC</b>	<b>Wood</b>	<b>Aluminium</b>
Design	Ordinary	Traditional, Decorative	Almost unlimited feasibility
Maintenance	Minimal	Essential, Regular	Minimal
Durability	Depends on quality	Good	Very good
Operating life	Depends on quality	Long - depends on maintenance	Very long
Insulation	Great	Great	Great - depends on quality
Advantages	Range of use Range of producers Price	Possible repairs Ecologic	Limitless shapes Security Light + Solid = Large sizes
Market share	70,7 %	16,0 %	10,2 %
Price	Low	Mid - High	Mid – Very high

**Table 16** – *Fenestration Solution Materials - Characteristics*  
Own Elaboration

#### 4.4.2. Direct competitors

The overall situation on the fenestration solution market from the use of material perspective was analyzed but it is perhaps more important for the purposes of this thesis to analyze particularly the competition of the firms specializing on the aluminium frames.

Below listed companies let their aluminium profiles to be processed directly in the Czech Republic and thus belong to group of direct competitors of SBS. There exist also some other foreign competitors which can offer their solution to Czech customers, nevertheless the costs are certainly higher due to the travel costs and other costs associated with manufacturing the final product abroad.

On the Czech Market, the biggest direct competitors of Sapa s.r.o. are

- Schüco
- Hueck
- Heroal
- Reynaers
- Cortizo
- Wicona

Wicona (part of Hydro) recently established with Sapa s.r.o. a joint venture. This fact creates better conditions for future business in terms of less competition as one of the biggest competitors became a business partner.

The main competitors of SBS were introduced but still as mentioned before, Artline can be classified as a product from a group of luxury fenestration solution for residential housing. This group of products can be further on divided into more subgroups and one of them, where Artline belongs to can be classified as “large movable glass wall”.

The market with this particular sort of products is according to its specific characteristics relatively small. The situation differs within each country in Europe but basically it can be said, that above all is developed in Western Europe, Austria and Switzerland. This fact is definitely influenced by high costs of this group of products.

On the other hand, the product is designed for relatively small group of customers which leads onwards to the fact that the target group may be found practically in every country. Even though the size of the target group differs and will be obviously smaller in less economically developed countries than in above mentioned ones.

This particular subgroup of products (solutions in this case) which can be classified as “large movable glass walls” is in the Czech Republic marketed by three main competitors;

- Sapa s.r.o.
- Schüco CZ s.r.o.
- Sky-frame

All of the three above mentioned companies produce very similar product which compete to each other not only on the Czech market. Their technical characteristics are compared in Table 17.

	<b>Sapa</b>	<b>Sky-frame</b>	<b>Schüco</b>	<b>Sapa</b>
	<b>Artline</b>	<b>Sky-frame 3</b>	<b>ASS 77 PD.SI</b>	<b>Artline XL</b>
Frame size (max)	2,8 m x 2 m 1,4 m x 3 m	2,3 m x 4 m (max 8m <sup>2</sup> )	3,2 m x 3,5 m (max 9m <sup>2</sup> )	3,5 m x 2,5 m
Sightline	26 - 38 mm	20 - 36 mm	30 - 48 mm	26 - 38 mm
Weight of glass (max)	320 kg	480 kg	500 kg	500 kg
Insulation U <sub>w</sub> (U <sub>g</sub> = 0,7 W/m <sup>2</sup> K)	0,85 W/m <sup>2</sup> K	0,90 W/m <sup>2</sup> K	0,84 W/m <sup>2</sup> K	0,91 W/m <sup>2</sup> K
Glass (max)	42 mm	54 mm	60 mm	52 mm
Watertightness	E750	9A	9A	E750
Airtightness	Class 4	Class 4	Class 4	Class 4
Windresistance	C3	B3	-	C3
Security	None	WK2	WK2	WK2
Price (€/m <sup>2</sup> )	1300	2000	1400	1350

**Table 17 - Technical Characteristics of Artline and its competitors**

Own Elaboration, Source: Internet sites of Sapa, Sky-frame, Schüco, and Sipral a.s.- 2.3.2015

Competitiveness according to most important characteristics and parameters are graphically represented in Table 18. It is visible that the stronger competitor out of the two mentioned is Schüco. Schüco is comparable in most of the parameters with Sapa. Especially considerable fact is that it operates locally on the same basis as Sapa s.r.o. This makes it the strongest competitor. As regarded to price, Artline is nowadays less

competitive than it was after its launch into the market. The reason for that was alternation in the distribution channel (logistics) but details of this change will be discussed later in the thesis. To imagine the real situation, price of Artline was in 2013/2014 about 60% of the prices of Schüco.

<b>Technical</b>	<b>Best</b>	<b>Follower</b>
System tested in ALL configurations	<b>Sapa, Schüco</b>	Sky-frame
Weather performance	<b>Sapa</b>	Schüco, Sky-frame
Sightline	Sky-frame, <b>Sapa</b>	Schüco
Glazing thickness	Schüco	<b>Sapa, Sky-frame</b>
Production (ease, speed,...)	<b>Sapa, Schüco</b>	Sky-frame
<b>Sales / Business</b>		
Price level	<b>Sapa</b>	Schüco, Sky-frame
Local sales and technical support team	<b>Sapa, Schüco</b>	Sky-frame
Invoicing in local currency	<b>Sapa, Schüco</b>	Sky-frame

**Table 18** – Competitiveness of Sapa, Schüco, and Sky-frame  
Own Elaboration, Source: Internet sites of Sapa, Sky-frame, Schüco – 3.12.2014, Internal Sapa data

Other competitors selling their product mainly on foreign market, and thus not perceived as direct competitors of Artline solution are;

- Vitrocsa
- Keller
- Reynaers
- Air-Lux
- Panoramah
- Swiss Fine Line
- Cero

#### **4.4.2.1. SKY-FRAME**

Sky-frame is a Swiss company founded in 1993 and nowadays operating in many European countries and even in Canada, United States, Australia, New Zealand and South Africa. Sky-frame is the only company from the three mentioned that is specialized only on this particular group of product; large movable glass walls. This gives the company certain competitive advantage. Especially in terms of being able to focus on innovation and development of their portfolio of products in relative narrow scale. The company can also identify their customers much easier and thus understand and treat them in a better way. On the other hand, in comparison to the three mentioned companies Sky-frame does not let fabricate its profiles directly in the Czech Republic and this is the reason why its prices are significantly higher than prices of Sapa s.r.o. and Schüco. This fact makes Sky-frame less competitive from the financial point of view.

The range of products from Sky-frame is due to their specialisation on large movable glass walls more extensive than from SBS and Schüco. Besides the Classic Sky-frame products, which exist in three alternatives varying according to insulation features (Sky-frame 1, 2, 3 – single, double, triple glazing) the company produces also more technologically sophisticated solutions for exacting customers. These solutions are called Sky-frame Arc and Sky-frame Slope and are made in atypical shapes, which enable them to meet even the most demanding architectural requirements.

Moreover the company produces also several additional solutions helping the windows (movable walls) to perform even better. These solutions are called Fly, Sun, Guard and Automation. “Fly” stands for insect screen integrated into the frame. “Sun” is venetian blind system offering solar shading. “Guard” stands for a group of additional components (e.g. alarm system or safety glass) which can be fitted to the sliding windows in order to meet special security requirements. “Automation” allows operating the sliding element automatically at a press of a button. All those eventual features give the Sky-frame solution added value and thus make them more competitive on the market.

#### 4.4.2.2. SCHÜCO

Schüco is a German company established in 1951 and currently operating in more than 80 countries around the world. It does not produce only aluminium fenestration systems but also PVC and steel solutions. This gives the company a big advantage in terms of wide range of products and experiences from different markets (geographically as well as technologically). Schüco with its solution series called ASS 77 PD, which was launched in 2013 into the European market became second direct competitor to the Artline solution besides Sky-frame in the Czech Republic. The solution is manufactured in three versions depending on the insulation characteristics. ASS 77 PD.NI is a non-insulated system which is used mainly in interior or in warm climate zones. ASS 77 PD.HI is thermally insulated system and finally the ASS 77 PD.SI which stands for super insulated system and is due to its technical parameters the biggest competitor to the Artline solution.

Advantages and disadvantages of direct competitors of Sapa s.r.o. are summarized below in the table.

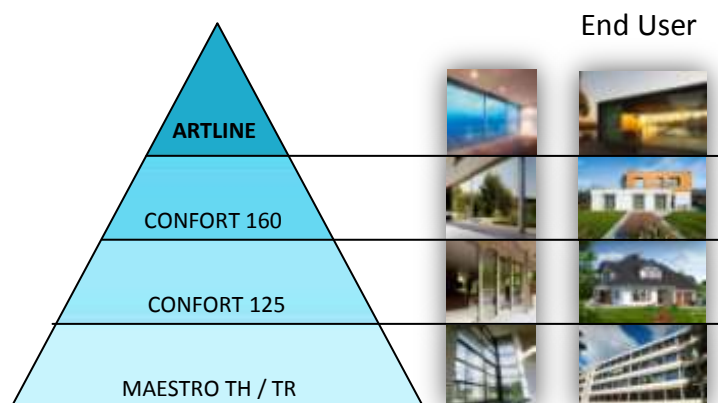
	Sky-frame	Schüco
	Sky-frame 3	ASS 77 PD.SI
Disadvantages	<ul style="list-style-type: none"> <li>· Price</li> <li>· No fabricators in the CR</li> </ul>	<ul style="list-style-type: none"> <li>· Price</li> </ul>
Advantages	<ul style="list-style-type: none"> <li>· Specialist in “Movable glass walls”</li> <li>· High Brand awarness</li> <li>· Height max. 4m</li> <li>· Range of products -1,2,3</li> <li>· Additional products               <ul style="list-style-type: none"> <li>- fly, sun, guard, automation</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>· Technology</li> <li>· Big net of fabricators in the CR</li> </ul>

**Table 19** – Pros and Cons of Artline direct competitors  
Own Elaboration

It is crucial to mention that both direct competitors which were compared to the Artline solution are the best solutions within the product line. There is currently no better solution on the market that can compete to the Artline solution, nevertheless SBS introduced in 2014 a new product which is basically an improvement of the Artline

solution called Artline XL. Its features are in some of the parameters better and thus more competitive to both mentioned solution from Schüco and Sky-frame. But the most important thing is that Artline XL is not yet offered to Czech customers (only several exceptions).

Comparison of Artline solution to its internal competitive products manufactured by SBS will finalize the Competition section of this thesis. Customers can choose between five solutions of sliding doors/systems. The low-end solutions are called Maestro TH and Maestro TR and are usually used as a basic solution in all kind of buildings (not only residential housing). The middle-upper class of sliding doors/windows solutions are called Confort 125 and Confort 160. These solutions are much more sophisticated and are used mainly in residential housing. Besides its technological qualities, its modern design might be perceived as an added value. On the top of the sliding doors/windows solutions produced by SBS is the Artline solution.



**Figure 20** – Sliding Door/Window Systems by Sapa  
Own Elaboration

Technical Characteristics of Artline and its internal competitors is illustrated in the table below;

	<b>Artline</b>	<b>Confort 160</b>	<b>Confort 125</b>
Frame size (max)	2,8 m x 2 m 1,4 m x 3 m	3 m x 5,2 m	2,8 m x 3 m
Weight of glass (max)	320 kg	400 kg	300 kg
Insulation $U_w$ ( $U_g = 0,7 \text{ W/m}^2\text{K}$ )	0,85 $\text{W/m}^2\text{K}$	1,3 $\text{W/m}^2\text{K}$	1,8 $\text{W/m}^2\text{K}$
Glass (max)	42 mm	55 mm	35,5 mm
Watertightness	E750	E1350	E600
Airtightness	Class 4	Class 4	Class 4
Windresistance	C3	C4	C4
Security	None	WK2	WK2

**Table 21** – *Artline and its internal competitors*  
Own Elaboration, Source: Sapa websites - 5.12.2014

## 4.5. SWOT Analysis

Swot analysis is conducted in order to confront the firm's internal strengths and weaknesses and its external opportunities and threats. Only the most important points were emphasized.

### INTERNAL

- **Strengths**

- Design – minimum face width of the frame
- Sophisticated minimalist solution
- Ongoing technical innovation
- Product competitiveness
- Reaching Minergie = low-energy consumption building quality
  - $U_w < 1.0 \text{ W}/(\text{m}^2\text{K})$

- **Weaknesses**

- Demand on very precise fabrication
- Insufficient marketing



- Lack of cooperating fabricators
- Lack of cooperating architects
- High purchasing price from the group
  - Unsuitable for the Czech market
- Uncompetitive lead times
  - Complicated distribution process
- Absence of the increased security of the frames
- Insufficient technical support (Technical catalogue)

## EXTERNAL

- **Opportunities**

- Modern design
  - Architects' favorites
  - Providing a lot of lightness
  - Large glass walls
- High comfort – new motorized solution
- Increasing demand on residential market for high level architectonic solutions
- Increasing demand on sustainable aluminium solutions
- Effort to reach Passive house quality label
  - $U_w < 0,8 \text{ W}/(\text{m}^2\text{K})$

- **Threats**

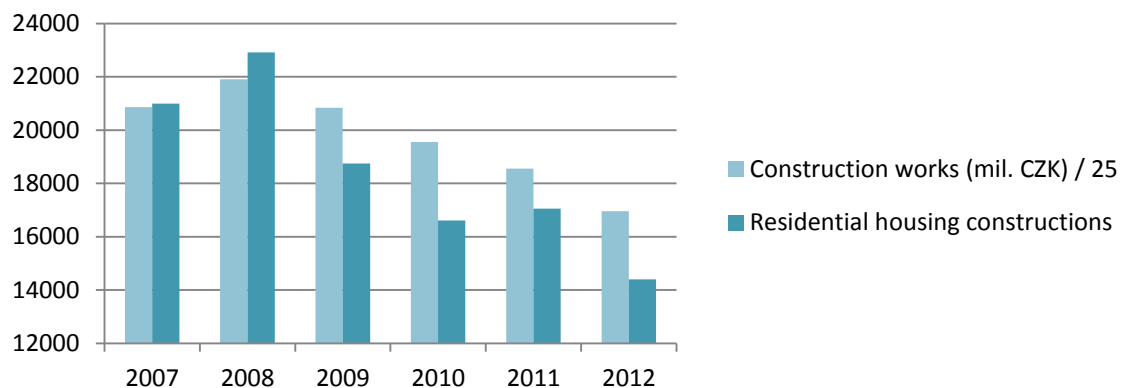
- New similar solutions from competitors – Schüco ASS 77 PD
- Higher price not corresponding to rising competition
- Professional marketing campaigns of the competitors

## 4.6. Building Industry

One of the reasons why the product is not reaching its potential is inappropriate timing of the launch. The product was launched on the Czech market at the beginning of the year 2012 (1Q). At that time the situation in the building industry was still strongly affected by the economical crisis, actually it was one of the most affected industries and it still recovers.

According to the data gathered from the CSO (Czech Statistical Office) there was a decrease in residential buildings construction by 17,4% in 2012 compared to the previous year. Moreover the crisis affected the industry strongly already since 2008 which consequently negatively influenced among other companies also the situation in Sapa s.r.o. In the graph below, there is illustrated the decline in total number of residential housing from 2007 till 2012 together with the overall decline of construction works (value of all construction activities) which represents the whole industry (the total number is divided by 25 for better visualization).

The negative trend is visible in both indicators and illustrates the overall bad situation in the industry which consequently affects also the company and moreover the Artline solution selling performance. Based on those facts, the timing of the product launch was not very well set.



**Graph 22** – Building industry situation (2007 – 2012)  
Own Elaboration, Data Source: CSO (Czech statistical Office)

Nevertheless, there were several reasons why the company launched the product regardless of the crisis. At first, the crisis was expected to retreat slowly and thus waiting with launching a new product could last very long. Secondly, the solution was already at that time invented and ready to be launched in all active markets so there was no reason why to hesitate with the launch into the Czech market. Especially with respect to the fact that the research and invention is currently in this industry on very high level and thus the companies producing similar solutions could have gain a noticeable competitive advantage.

The following numbers show that the perception of the economic situation seems to be nowadays a bit more positive. In 2012 (January) only 10,7% of companies operating in building industries expected the overall economic situation for next six month to increase compared to 25,4% companies in 2015 (January). The total demand was assessed as satisfactory in 35,6% and as low in 64,1% of companies in the beginning of the year 2012 contrasted to 50,6% respectively 48,3% in 2015.<sup>4</sup>

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<sup>4</sup> Czech Statistical Office - [http://www.czso.cz/csu/2015edicniplan.nsf/publ/070006-15-m01\\_2015](http://www.czso.cz/csu/2015edicniplan.nsf/publ/070006-15-m01_2015) - 12.2.2015

## 4.7. Analysis of specific challenging areas

As mentioned in the chapter 2. Objectives and methodology, one of the aims of the thesis is to analyze the situation on the market where Sapa s.r.o. is doing its business, especially in relation to the particular product which is examined in the thesis; the Artline solution. After the initial analysis which consisted of observation during two seminars/meetings and informal interviews with selected employees of the company, several areas were identified as the most challenging and could be consequently perceived as limitations to the selling performance of the product.

### Outline of the chapter

- Marketing activities
  - *Customer care*
  - *Media and Advertising*
  - *Artline websites*
- Marketing strategy adaptation
- Technical support
  - *Number of cooperating fabricators*
  - *Technical training*
  - *Technical documentation*
  - *Technical innovation*
- Distribution process
- Financial funds

#### 4.7.1. Marketing activities

- Inappropriate selected marketing activities concerning Artline solution.

##### 4.7.1.1. *Customer care*

One of the most important things in marketing is the customer care. Building a net of customers and consequently taking care about them is a crucial process of how to success on the market.

Again, customer care is very broad term, thus only several specific aspects will be discussed in this part of the thesis. According to the results from the research, customer care is perceived as an area where Sapa s.r.o. can potentially improve its efforts and thus be more successful in the process of marketing the Artline solution and moreover all of their products on the Czech market.

As described earlier in the thesis, Artline solution is a luxury product and thus its marketing communication does not target on a wide range of customers. The end users of this product is rather quite narrow base of customers with higher level of income and with specific demands on the product characteristics, which makes the product to be treated differently in comparison to other products of Sapa s.r.o. This fact was also proved in the research. Nevertheless the relationship between end users and the company will be discussed later on in the text.

The B2B customers, which need the biggest customer care in this particular business are architects and fabricators. Due to the nature of the product, even the B2B customer base is not very wide. Contrariwise it should be rather tall. This means that the company is willing to have fewer customers with strong relationship rather than many customers with weak relationship as it is in other industries. This consequently means that building relationship with customers of Sapa s.r.o. is very important for further success of the product especially in case of architects and fabricators.

## Architects

Architects as a group of customers is very important because they propose what kind of fenestration solution will be used in the building. That is the reason why they should know about the product very well and moreover they should know also about all changes and news in terms of innovation of the product etc. This holds especially for changes and improvements in automation systems for electronic opening of the windows, which is now the biggest issue concerning innovation of the solution.

There exist more ways of how to keep in touch with this group of customers but the form of *newsletter* was chosen as the most appropriate one. Most of the architects responded that they do not receive newsletters at all. At the same time they stated that it would be the best form of getting any news concerning Sapa s.r.o. and their products. It is very important for the companies operating in the building industry and particularly for technically specialized companies to inform about all news and innovations regularly to keep in touch with the competition. The company should thus send regular newsletters to selected architects (according to their internal database) in order to draw their attention towards all new products and especially towards the Artline solution.

Another issue concerning architects was that most of them never received any reference book and only few of them received brochure about the Artline solution which moreover exists for this product only in English version.

**Reference book** is very important, efficient and at the same time very simple and low-cost tool in terms of sales promotion of the product. At first it enables architects to show the solution used in chosen projects/buildings to the end users and secondly it helps to keep the architects in constant touch with the product. During the process of choosing the most appropriate fenestration solution (and basically any other components of a building), the customer is making decisions mainly based on visualization. This is the reason why a good reference book with nice design is very important. Moreover it is relatively low-cost tool, especially when we consider that the reference book does not have to be in that case spread among huge amount of customers (architects and fabricators).

There exist already many high quality pictures of the solution so there is no extra cost needed in these terms.

**Brochure** is another way of how to attract the customer, either straight the end user or the B2B customers. Artline brochure exists so far only in English language and is also downloadable on the internet, nevertheless the Czech version is essential and it is again not very expensive way of promotion. Translation of the brochure can be easily done by some of the employees as the whole brochure has 12 pages and only 5 of them contain some text. It is moreover already translated on the web sites of the company. The printed version could be the spread among customers during personal meeting with new customers and distributed to selected architectural offices, showrooms, fabricators offices etc. for potential end users visiting those specialized places.

Last recommendation concerning architects based on the research is that the total ***number of cooperating architects should be increased***. At the moment, there are basically 12 architectural offices which cooperate and have certain knowledge about the Artline solution. Nevertheless the rule of tall rather than wide customer base, which holds for fabricators as the other B2B customer group, is not valid for the architects. On the other hand, architects should be chosen carefully based on their references and sort of clients they worked for; end users and investors.

With respect to the nature of the product and profile of its end users, architects should cooperate with demanding customers willing to spend above average finances into unordinary and design fenestration solutions. This model works quite well today, the company maintains good relationships with several architectural offices but in order to enhance the selling performance of the product, the total number of cooperating architects should increase.

## Fabricators

Perhaps the most important group of B2B customers are fabricators. At first, quality of the final product depends on how the company fabricates the profiles. This is perhaps the most crucial step in the process starting by extrusion of the profiles and ending by the installation to the building site. The quality of the final product is set during the internal process of manufacturing the profiles in SBS but also during external fabricating them into the Artline solution as such.

Nevertheless, from the marketing point of view, there was found one issue which is really problematic in the process of getting the product from SBS to the end user. This is the fact, that the companies fabricating the final product do not have experiences with such a kind of product, which is luxurious and high quality demanding and thus they usually do not know how to sell it. Simply said, the companies are afraid to sell such a unique solution which demands extended marketing and sales skills. They have usually experiences with selling only basic solutions and arguing with low price as their biggest competitive advantage. In order to improve this situation and to force the companies not to be afraid of selling high-end solutions, Sapa s.r.o. should regularly organize *seminars focused on sales skills*. These should be among others focused on emphasizing *marketing communication importance*, as it was identified as a tool which is rather not used by the fabricators at all.

Another issue which was identified as problematic one is insufficient marketing support to the fabricators, particularly *sales promotion* as in case of architects, i.e. *brochures, reference books* but above all their *websites*. As mentioned in case of architects, brochures in Czech language and reference books help enhance awareness of the company and their products and at the same time it helps to imagine the Artline solution in already existing projects/buildings.



In case of fabricators, internet is most important as a source of information for the end user. The personal contact is not as common as in case of architects. Usually the first contact with the fabricators is through web pages and thus Sapa s.r.o. should focus mainly on this mean of communication. In practice it means to help update the web pages of fabricators offering Artline solution with news concerning product innovation and references (updating pictures of recent constructions etc.). Moreover the web pages should be regularly controlled in order to keep desired quality and competency of the information. Sapa. s.r.o. should insist especially on the references provided, as we know that the end users make decisions based on visual appearance of the product.

One of the activities which can promote the product is supporting *showrooms* of the customers; fabricators. The company is recommended to support the customer either with sample of the Artline solution in form of finished window or at least a frame in order to show the end user the qualities of the product such as the design look and the actual frame sizes. Another possibility is to support the fabricators at least with certain price reduction on the Artline frames. The idea is to support showrooms of different customers in several regions. This enables the company to refer the customers/end users to the nearest showroom. Proposed regions are Prague, Pardubice, Karlovy Vary, České Budějovice, Brno, and Ostrava. These particular cities were selected in order to cover the whole Czech Republic. Moreover were selected based on average amount of money spent on residential housing which was in most of these cities the highest in the region.<sup>5</sup> Again, the actual visual appearance of the product is very important for the customer and thus it is important to support the showrooms together with working on references in form of brochures and reference books as mentioned above in the text.

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<sup>5</sup> Czech Statistical Office – *Average spending on residential housing in regions of the CR*

#### 4.7.1.2. *Media and Advertising*

Another indicated area which is according to majority of all respondents problematic and causes limitations to better selling performance of the product is well targeted and appropriate advertising.

Advertising is usually linked to the budget. Nevertheless the concept of targeting advertisements on the right groups of customers and by the most appropriate channels is very crucial to be set.

Current situation concerning advertising in Sapa s.r.o. was based on the result from questionnaires as well as from the interviews identified as inappropriate in terms of insufficient budget and wrong targeting. Nowadays and especially directly after the launch of the product into the market, the financial resources spent into advertising should be increased quite rapidly. It is one of the crucial steps which need to be done when a new product is launched and the situation was simply underestimated but the issue of finances will be discussed later in the thesis. The main aim of advertising is in this case to **increase the overall awareness** of the product (among end users as well as architects and wide professional community) and at the same time to **increase the number of cooperating architects**. Both should then increase the overall selling performance of the Artline solution.

Wrong targeting was indicated as a problem which can be improved much easier than solving a problem of financing the advertising. So far the company invested only minimum amount of money into advertisement in several specialized B2B magazines, but mainly targeted rather on fabricators than architects. This was identified as insufficient especially with respect to the introduction phase of the product where the promotion in form of advertisement should be very intensive.

Based on all data collected, the proposal is to target rather on the end customers and architects than on the most specialized groups of customers; fabricators. The reason for that is because fabricators should rather be chosen directly by the company based on their

references, previous experiences and mutual cooperation as the product demands very good quality of further precise processing. Thus this group of customers should not be the target group in terms of advertising and the company should rather spend money on focusing on the other two groups of customers.

The chosen mean of communication, which the company should focus on, are print and online magazines and websites dedicated to specialists (architects) and high income readers. Print and particularly B2B magazines are according to 58% of readers the most important source of information about building materials, innovations and technologies and 95% of companies which are advertising their products or services perceive specialized B2B magazines as the most appropriate medium in terms of targeting the desired group of customers.<sup>6</sup>

According to preliminary analysis and consultation with the management of the company Sapa s.r.o. the following particular magazines and websites were proposed;

#### B2B magazines

- Magazine Architect
- ASB
- ERA21
- Stavitel (monothematic supplements)
- (Materiály pro stavbu)
- (Stavebnictví)

#### B2C magazines

- Můj Dům
- (Ekonom magazine)
- (Moderní řízení)

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<sup>6</sup> NFO AISA, B2B inzerce a tisk

### Websites

- Bydleni.cz
- iMateriály.cz + stavitel.cz
- Stavbaweb.cz
- MujDum.cz
- Modernibyt.cz

### B2B Magazines

All proposed B2B magazines were chosen based on the contents and their target group. All of them are concerned with news in architecture and design used in building industry and are dedicated mainly to architects and projectors (designers).

Magazine Architect is very specialized magazine namely for architects. It is concerned with new technology and new progressive as well as usual construction materials. The circulation is 7,000/issue (each read by 10 people) and is issued 6 times per year.<sup>7</sup> It is the most widely read magazine about architecture and is present on many events in field of architecture, design, civil engineering, fair trades etc.

The magazine ASB was chosen based obviously on the contents of the magazine but also on profiles of the readers. They are usually highly educated men (25-55 years of age) working in managerial positions or in architectural and engineer's offices.<sup>8</sup> ASB magazine exists also as an on-line magazine and has its own websites and functional facebook profile 2011. Circulation of the magazine is 5,000/issue (read 10 times more) and is issued 5 times per year plus one special issue. Price for 1/3 of space advertising is 33,000 CZK.<sup>9</sup>

ERA21 magazine is proposed as another potential advertising space for Sapa. s.r.o. and the Artline solution. It is one of the most widely read Czech architectural journals.

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<sup>7</sup> Website of publisher; Julius Macháček-KABINET

<sup>8</sup> Internal research of the publisher; Jaga Media s.r.o.

<sup>9</sup> Media Kit of ASB magazine; prices for year 2013

Since 2011 online version for all type of electronic devices is available. Moreover ERA21 have the widest audience of facebook fans of all professional journals. Circulation is 6,800 (each read by 4-5 people) and there are 6,600 subscribers of the electronic version in each of the 6 issues which is altogether between 30,000 and 36,000 readers per issue. The structure of the readers is composed mainly of architects (72%), building, business and developing companies (25%) and the rest 3% is represented by relevant public. Price for 1/4 of space advertising is 27,000 CZK and 1/4 of page dedicated for presenting new technologies/realizations is 18,500 CZK.<sup>10</sup> There is moreover chance to advertise also on their websites on banners or it is also possible to promote trainings and lectures for architects which costs 8,900 CZK. Nevertheless on the basis of the interviews with the management of the company, architects usually want to attempt organized lectures of new technologies or solutions very rare.

Stavitel magazine is concerned with the whole process of house/building construction and with innovations and technologies from architectural point of view. Moreover this magazine is interesting from advertising point of view because of its regular monothematic supplement in form of catalogues different for each issue (as for example low-energy housing, building technologies, different fair trade reports etc.). Price for 1/4 of page in those specialized supplements is 15,000 CZK which is lower to the same size of advertisement in regular issue (19,900) and might be targeted more precisely.

### B2C Magazines

Můj Dům magazine is proposed as an appropriate place for advertisement due to the fact that it is the most read magazine among people thinking about new house construction; this is about 8% of total population and 18% of them read this magazine. Circulation of the magazine is 14, 300 of each of the 12 issues per year and it has about 68,200 readers. Its quality in terms of graphic form and overall design corresponds with the willing perception of the Artline solution as a high-class product. Price for 1/4 of page of advertisement is 29,000 CZK.<sup>11</sup>

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<sup>10</sup> Media Info of ERA21 magazine; prices for year 2015

<sup>11</sup> Mediadata - Business Media Publishing, prices for 2015

Magazines Ekonom and Moderní řízení were chosen according to profiles of their readers. Its typical reader is usually above average income man, working on managerial position and is willing to spend money for high quality products. Nevertheless these magazines are not proposed as prioritized and are stated only as examples; more magazines comparable to those can be found on the Czech market.

### Websites

Website Bydleni.cz is dedicated to people curious about news in all topics concerning housing and its construction. 60,000 people visit this website monthly and it creates space for advertising as well as for permanent presentation of the company; so called “virtual tour” which includes an editorial with permanent location on the websites costs 4,900 CZK. Full banner (466 x 60 pixels) on the home page of the websites costs 23,500 CZK/1 month. Leader Board (745 x 100 pixels) on one of the sections of the pages costs 35,000 CZK/1 month.

B2B	Circulation	No. of Readers (cca periodically)	Issues per year	Price - 1/4 page (CZK)
Architect	7,000	70,000	6	-
ASB	5,000	50,000	5+1	33,000,- (1/3 of page)
ERA21	6,800	36,000	6	27,000,- (18,500,-)
Stavitel	7,800	min. 7,800	11	19,900,- (15,000,-)
Mat.pro stavbu	6500	min. 6500	9	24,000,-
Stavebnictví	32690	min. 32690	11	19,900,-

### B2C

Můj dům	9,400	68,200	12+1	29,000,-
Ekonom	12,514	69,000	52	40,698,- (Reality section)
Moderní řízení	7,000	min. 7,000	12	18,000,-

**Table 23** – Proposed advertising in B2B and B2C magazines  
Own Elaboration, Source: Websites of all publishers, referenced above in the text

Websites iMateriály.cz, Stavitel.cz and Stavbaweb.cz are targeted on architects and civil engineers. Stavbaweb.cz is focused mainly on the best architectural projects in the Czech Republic but also from abroad. On average 50,000 people visit those three websites per one month.<sup>12</sup>

All of the proposed magazines and websites were chosen with respect to their target group, quality and design of the advertising space and financial costs. Comparison of circulation, number of readers, prices and other parameters of chosen magazines were compared for better orientation in the Table 23.

#### **4.7.1.3. Artline websites**

Current websites of Sapa s.r.o. are functional and provide the visitors with useful information and several references of successfully finished projects/buildings. The design is corporate for the whole SBS and even though it is not as modern design with functional features as it might be, at least according to current standards and websites of competitors, it is not easy to change the whole company's appearance of the websites. Nevertheless this is not the issue to be stressed in this thesis.

Rather more effort should be put into the promotion of the Artline solution through the internet as it is an "outstanding" solution among all products of SBS. Special websites dedicated entirely to Artline already exist. They are available in eight languages so far but not in the Czech language even though the visitors of the Czech websites are immediately linked to these web pages when clicking on the Artline banner.

There are proposed two possible solutions of how to better promote the Artline solution on the internet. The first one which is less expensive and also easier to manage is simply *translate already existing specialized Artline web pages* into the Czech language. It does not contain too much text. On top of that is the text for the most part already

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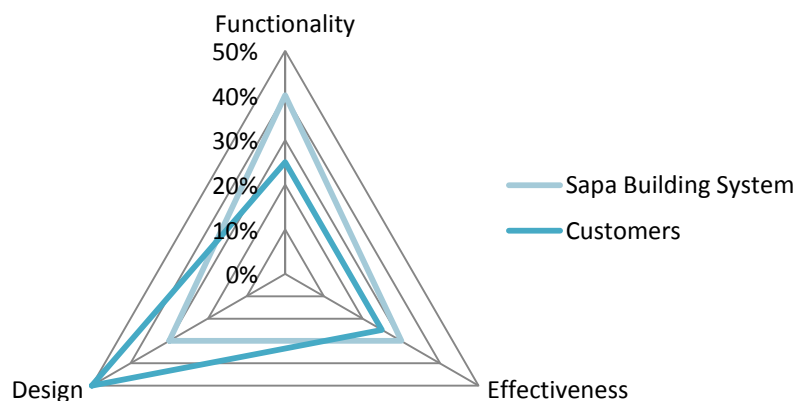
<sup>12</sup> Mediadata - Business Media Publishing, Czech Republic

translated on the current websites of Sapa s.r.o. This step is considered as an essential step in the process of promoting the product.

Another possibility is to create *completely new specialized websites* dedicated to this particular product. This step assumes to create very professional impression on the customers and moreover it would provide the company with certain competitive advantage as none from the direct competitors have their own product websites in Czech language. The idea is to pay attention on modern and clear design rather than to create highly sophisticated websites with interactive elements etc. The contents must be clear and contain basic information about the company and the product as such, technical specification of the product, its advantages, contact on fabricators and their showrooms, and again above all references of realized buildings and projects; this part should done be very well with good photos with emphasis on the design point of view.

Design is based on the research the most emphasized feature compared to functionality and effectiveness. Perception of these three parameters was compared between the customers and employees of the company (not only from the Czech branch) and the results are shown in the following graph.

	Sapa Building System	Customers
Functionality	40 %	25 %
Effectiveness	30 %	25 %
Design	30 %	50 %



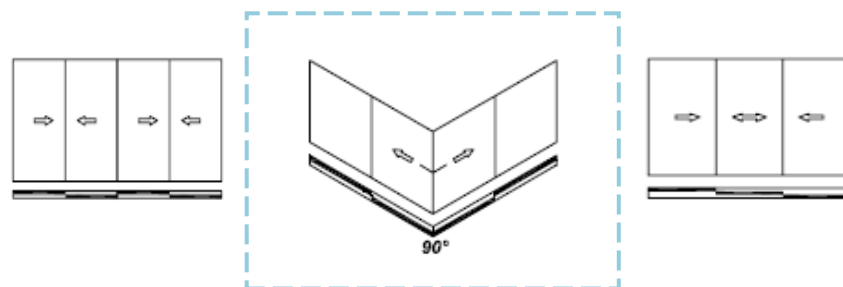
**Graph 24** – Internal vs. External perception of Functionality, Design, and Effectiveness perception  
Own Elaboration



The test was made in order to investigate what feature is the most emphasized from the company's as well as customer's point of view. The intercompany perception of the product stresses good functionality of the product above the two others which show us that the quality of the product is the most important for the company which is a good signal for the customers and a sustainable life of the product. On the other hand it helps us to understand what particular parameter is the most important for the customers and should be further on also emphasized in the message of the promotion activities. It is definitely design and thus the company's message concerning the Artline solution should stress this particular feature.

The limitation of this analysis was relatively small number of respondents but it is assumed that the opinion of the fabricators and architects also represent the opinion of the end customers. More features could have been added as well but these three are usually analyzed when a new product is launched into the market and are considered as the most important ones for this particular product. Moreover there was additional space for the respondents to state any other features or characteristics which they perceive as exceptional or conversely as poor but only few others were mentioned thus were indicated as not relevant enough and were not chosen for further analysis.

Besides emphasising design as the most attractive feature, one other very important attribute was identified based on the research. There is currently nowhere (websites nor brochure) stressed one of the most unique features of Artline solution which is the possibility of "floating corner" within the solution. It means that the sliding windows can be opened with no mullion in the corner of the room.



It is actually very rare feature especially with respect to the frame thickness and sizes of the whole windows. This was identified by both, the customers as well as employees as a unique feature; so more attention should be paid to this particular characteristic when promoting the advantages of the product. Moreover it is suggested also to highlight the ecological feature of aluminium which is its 100% recyclability. It is nowadays very trendy to maintain sustainable way of life and thus it might be together with emphasis on minimal and modern design perceived as very positive message for the customers.

#### 4.7.2. Marketing strategy adaptation.

- Extent of marketing strategy adaptation (internationally).

The fact that Sapa s.r.o. is a local company belonging to international concern Sapa AS Group, specifically to SBS, brings a question to which extent should be the local company influenced by the decisions of top management of the SBS. By “influencing” we understand (in the context of the Artline solution and this thesis), among other things, the extent of standardization/adaptation of marketing strategy and financial politics of the company. The financial politics will be discussed as a special challenging area within this thesis.

One of the possible problems of internationally companies is that they have to decide to which extent their strategies will be standardized or adapted within different countries. And this is according to the management of Sapa s.r.o. always very critical and sort of controversial decision for further existence of the whole company. Nowadays the top management of SBS is maintaining rather *adaptation strategy* which can be perceived in various aspects as positive approach and in others as negative one. If we consider the relationship of this strategy to the marketing process connected to the Artline solution, it is evaluated rather as *inappropriate approach* causing several crucial complications.

Based on the analysis of responses of Sapa s.r.o. management, this strategy would be appreciated only in case, when sufficient financial funds would be provided by SBS. Nevertheless top management of SBS decided in certain stage that the potential of Czech market with regard to products of Sapa was evaluated as low, the financial tools were since than even decreased. This decision was literally critical for the Czech branch of Sapa and its further business performance. It consequently led to rationalization and significant reduction of the budget, i.e. also the marketing budget.

This situation might be improved to certain degree by different approach of the SBS top management, especially in terms of extending the rate of standardization of the marketing strategy. This would lead to adjust the imbalanced situation in proportion of

financial tools among different countries. Moreover, it would enable Sapa s.r.o. and other local companies belonging under SBS to derive benefits mainly from the common used communication tools as e.g. brochures, websites, reference books and perhaps some competent practices which are used in countries where the product is more successful (e.g. Belgium, UK), even though demand for the product is in these countries due to various reasons much higher.

On the other hand, pure standardized approach is not recommended as the differences among active Artline markets is significant; especially in purchasing power parity of different countries, the ratio of aluminium and other materials used for window frames, the willingness to pay for high quality and design products etc. Thus the contingency approach is proposed to be implemented as it might maintain advantages from both “extreme” approaches.

### 4.7.3. Technical support

- Insufficient technical support by Sapa s.r.o. to selected groups of its customers.

Technical support stands for activities provided by employees of SBS to its customers. Particularly it involves different activities concerned with technical staff connected to the Artline solution, e.g. organizing technical seminars, providing customers with technical data, projecting solution for the particular project/building, consulting the process of fabrication with the customers and some others.

#### 4.7.3.1. *Number of cooperating fabricators*

The process of fabricating the aluminium profiles into the final product (Artline solution) requires very precise procedures and this is the reason why the company must be sure about the selected cooperating fabricators. Sufficient technological and sales skills, precise work techniques, appropriate technological facility, good references, mutual good relationship, reliability, emphasis on quality, and willingness to offer and market the product are the most important characteristics of a potential fabricator. And here comes the trickiest point of the whole process of searching for new potential fabricators. On one hand, it is not easy for Sapa s.r.o. to find a company which would fulfill all of the above mentioned characteristics. This leads to *unsatisfactory low number of cooperating fabricators* and thus the product is currently below its selling potential; at least according to most of the respondents. On the other hand, it is not desired to have unlimited number of fabricators.

That is why it is crucial to find the optimum number of fabricators in order to cooperate with enough them and in the same time to keep the desired quality sufficiently high. To find the right balance is important also because cooperating with too many fabricators could lead to situation when, (a) the quality of the final product is uncontrollable, (b) it loses its image of unique solution, and above all (c) the price of the product is pushed due to the competition between the fabricators unfavorable low.

#### 4.7.3.2. *Technical training*

As mentioned in the previous part of the thesis, fabricators and their sales teams usually do not have enough experiences and perhaps courage to successfully promote and sell the product to the end user. This is caused by the nature of the product (luxurious and high-end product) which needs generally different approach in the process of offering the product to the customers. The proposed solution is to implement new seminars focused on selling skills of the fabricators with special attention on the Artline solution. These seminars were already organized by the company in past, but were mainly focused on other, more ordinary products.

Certain similarity can be found in the process of *technical training* of the fabricators. Technical seminars are regularly organized by the company for all ranges of products, especially when some new one is introduced into the market, or in case there is any innovation of an old product. Nevertheless, the technical complexity of the Artline solution requires special skills and technological facilities of the fabricators. Due to this fact, the company must organize much sophisticated seminars especially focused on the technological process of fabricating the Artline aluminium profiles into the final product.

One of the biggest threats of Artline solution, according to the group of respondents represented by the management of Sapa s.r.o. and also other employees of SBS from different countries, is the insufficient technical quality of the fabricators. Due to this fact and the overall technological complexity of the fabricating process, it is necessary for the company to arrange technically oriented seminars for the fabricators more often and in sufficient quality.

After the launch of the product into the Czech market, one technologically focused seminar was arranged for the selected group of fabricators. It took place in Belgium, where the facilities are on incomparable higher level and was perceived as very successful and valuable for all parties involved. But since then, only few local seminars of markedly lower quality were organized. Even though maintaining the primary concept is more expensive, it was evaluated as effective and thus it is proposed to continue in this concept. It would

ensure that the quality of the product will be kept high and it would moreover stimulate the cooperating companies in further selling and promoting the product. Moreover, it might be possibly combined with the above mentioned seminars oriented on sales performance. The undeniable higher experiences and different selling practices of sales teams from the countries where the market for this particular product is much more extended (e.g. Belgium or UK), could contribute to delivering an added value to the whole process.

#### **4.7.3.3.        *Technical documentation***

***Insufficient quality of technical documentation*** was identified as another limitation to the selling performance of the Artline solution. Most of the customers agreed that the provided technical documentation, i.e. technical catalogues and coordination between available technical solution and specification software, is not in the satisfactory quality. This fact was also stated by the Project manager of Sapa s.r.o. which indicates that the problem is originated in SBS, as the technical catalogue issuer, and not in the Czech branch of the company. This leads to a conclusion that the only think which can be done in this matter is to communicate with the technical management of SBS in order to improve the situation.

#### **4.7.3.4.        *Technical innovation***

Particularly issues concerning technical innovation were defined by many customers as constrain to better selling performance of the product. Specifically the ***insulation characteristics***, even though it is according to the competitors' analysis one of the best on the market, was mentioned as a parameter which would be potentially advisable to improve in order to enhance the overall perception of the product. ***Motorized components*** were defined as another problematic issue causing difficulties during the installation process of the solution. This is also in competency of the SBS. The same proposal thus holds for both insufficient technical matters as in the case of the technical

documentation; to inform SBS about these potential improvements in order to enhance the situation in the future.

Some other weaknesses concerning technical features of the product were stated in the responds from the customers but the two above mentioned were the most common and repetitious and might be perceived as subjectively perceived imperfections.

In any case, SBS is constantly working on innovations of certain features. Below are stated current ongoing projects within SBS which might bring certain competitive advantage in the future.

- Outside lock solution (pre-study KW 26)
- Sightline 26mm for Artline XL (Q4/2014)
- Acoustic tests on Artline XL (Awaiting official report)
- Cost reduction accessories
- Soft stop (pre-study)

Summary



#### 4.7.4. Distribution process

- Current complicated distribution process (logistics).

The current situation of Sapa s.r.o. on the Czech market is strongly influenced by the complicated distribution process. The process dramatically changed after the warehouse in Kladno, Czech Republic was closed. This happened in April 2014 and it is considered by literally all of the employees of Sapa s.r.o. to be one of the biggest changes influencing the whole business and the company's competitiveness, at least the distribution of the Artline solution.

The distribution process works as follows; the extruded profiles are stored in the central warehouse in Landen, Belgium, where the following processes are also treated, it includes two main procedures; surface treatment (painting) and rolling in process (insulating). Then it is ready for expedition to all other warehouses within Europe. This process is specific for the Artline profiles because SBS wants to ensure the level of high quality by treating all the processes within one place in Landen. That complicates the process in terms of *longer time of delivery*. But the real problem occurs during the distribution of the profiles to the Czech customers. Due to the fact, that there is *no warehouse in the Czech Republic*, it needs to be at first delivered to the warehouse in Gleisdorf, Austria and from there finally to the Czech Republic. The final deliveries are done once a week.

This complicated process takes approximately between eight to ten weeks and in case of any claim, it takes another four to five weeks because the profiles must be taken to Belgium and back again.

As stated earlier in this thesis, average prices for Artline solution were before the warehouse was closed (2013) about 60-65% of the prices of its biggest direct competitor on the market, Schüco and its ASS 77 PD.SI solution. Nowadays it is about 90-95%, which is considered to be one of the biggest problems connected to Artline solution and its selling performance.

#### 4.7.5. Finances

- Insufficient finances invested in selected marketing and other activities concerning Artline solution.

As already mentioned, top management of SBS decided in at the end of 2013 that the potential of Czech market with regard to products of Sapa was evaluated as low. It was above all caused by the *joint venture of Sapa and Hydro groups*. This decision consequently led to reduction of the budget for the whole region (at this time CR + SR) together with significant rationalization. This fact has obviously critical impact on the whole business performance of Sapa s.r.o.; specifically three most influenced areas were identified; (a) rationalization, (b) marketing budget deficit, and (c) warehouse shutdown.

##### (a) Rationalization

According to the Managing Director of Sapa s.r.o., since the joint venture of Sapa and Hydro groups and the consequent deficit in the budget, the potential of Sapa s.r.o. actually decreased. She defined the situation as “*vicious circle*”, because without sufficient financial funds it is not easy to reach the sales targets and without reaching the sales targets, SBS is not providing Sapa s.r.o. with sufficient financial funds. Moreover, 6 out of 14 employees were terminated which is very significant number for such a small company and its everyday operations.

##### (b) Marketing budget deficit

Rationalization is closely connected to basically all operations within a small company as Sapa s.r.o.. Suddenly day to day operations must have been executed by other employees thus there was not enough time to maintain one of the most important communication tools of the marketing strategy for this particular business; personal marketing, i.e. personal meeting with direct and indirect customers (fabricators and architects). Nevertheless, it has to be said, that the budget for marketing activities was never provided in sufficient amount by SBS; this is considered by most of the employees,

even from foreign countries, as a problematic issue and agree on the fact that the financial funds spent into the marketing activities (promotion) should be increased.

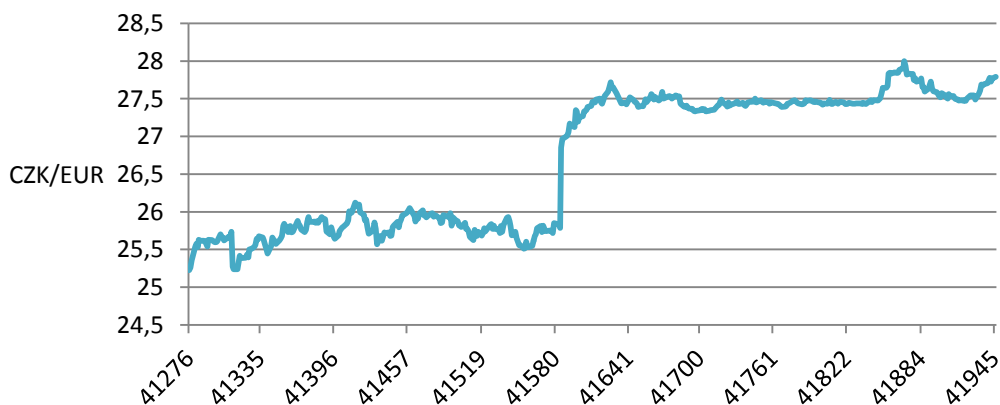
Above average expenses on promotion are important especially during the introduction phase of a product life cycle, i.e. during the process of product launch into the market. This fact was not considered by SBS and was criticized even by the marketing manager for the whole region. This illustrates the complicated situation within the whole company, especially after the joint venture of Sapa and Hydro groups.

(c) Warehouse shutdown

- see 4.7.4. Distribution process

The overall complicated situation concerning financial situation of Sapa s.r.o. was definitely influenced by the economic crisis (see Chapter 4.6) which had significantly stronger effect on residential housing in the Czech Republic than in the rest of the western countries where SBS operates. This consequently influenced the company's growth and also its competitiveness.

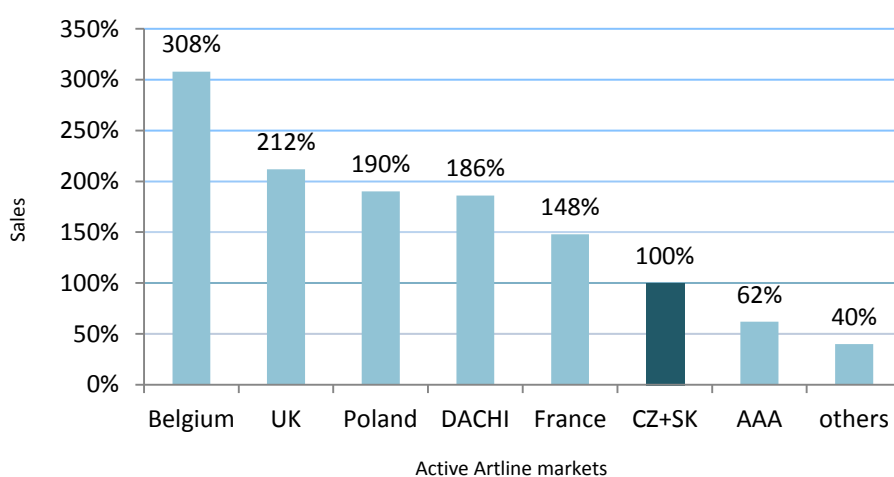
The fact that SBS is international company, where majority of all the materials are imported from the central warehouse in Belgium, is consequently influencing Sapa s.r.o. also in terms of exchange rates. As the material is bought in Euro currency and sold in CZK on the domestic market, the rate of exchange must be considered.



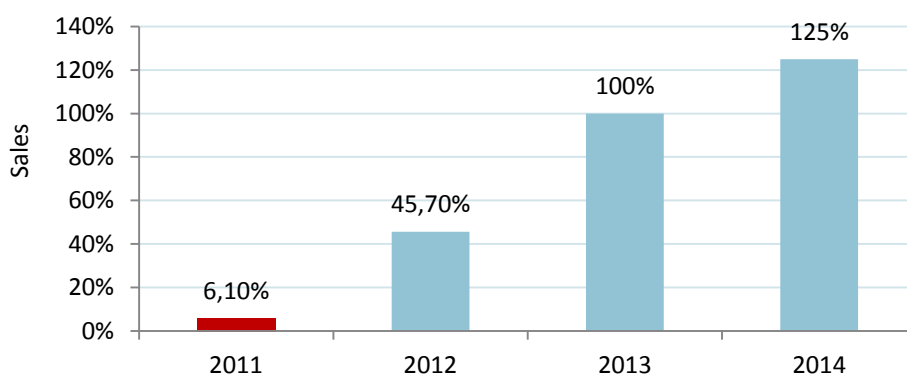
**Graph 25** – Exchange rate trend, CZK/EUR (2013-2015)  
Data source: CNB

As illustrated in Graph 23, EUR/CZK exchange rate rapidly increased at the end of the year 2013 by approximately 11%. This critically influenced the overall financial performance of the company and together with the joint venture, the situation in the company was evaluated as critical by the management of the company.

Differences in sales obtained from Artline solution in different countries and also the trend of Artline sales in CR are illustrated in the graphs below; nevertheless the real numbers cannot be shown as the company is not willing to.



**Graph 26 – Sales of Artline in different markets - compared to CR+SK market (2013)**  
Data source: Internal database of Sapa Building System



**Graph 27 – Sales of Artline in CR**  
Data source: Internal database of Sapa s.r.o.

## 5. Conclusion

In order to understand and evaluate the process of particular product launch, analysis of the market situation, where the company Sapa s.r.o. operates, was conducted. By further analysis of currently maintained procedures and its difficulties, particular recommendations were proposed to the company in order to enhance overall selling performance of the product on domestic market.

After the product was launched into the Czech market, it was evaluated as highly competitive due to its uniqueness and relative low direct competition. Nevertheless, many procedures and particular steps were defined as insufficient and the position of a market leader was not perceived as sustainable. This became obvious with introduction of a new competitive product by Schüco and its new solution ASS 77 PD. The intercompany difficulties caused by joint venture of Sapa and Hydro groups even made the situation more problematic, especially in terms of deficit in financial funds provided from the Sapa Building System at the end of the year 2013. At the same time, rapid increase in the rate of exchange of EUR/CZK by approximately 11% influenced the company's financial performance. The whole situation was, since the product was launched, affected by economic crisis and its impact on the building industry, particularly on residential housing construction.

Based on informal interviews with management of the Czech company Sapa s.r.o. and observation during two intercompany seminars/meetings, the following five main challenging areas were defined; marketing activities, marketing strategy adaptation, technical support to customers, distribution process, and finances. These areas and its particular aspects were further on analyzed into detail by means of semi-structured interviews with the management of Sapa s.r.o. and questionnaires spread among other employees of Sapa Building System and selected groups of customers. Except in depth analysis of the mentioned areas, several other analysis were conducted, specifically; analysis of direct and indirect competition, impact of the economic crisis on the building industry, and SWOT analysis in order to understand the product's environment from a complex point of view.

The fact, that Sapa s.r.o. is a local company of Sapa Building System division, influences the decision making of the management of the Czech company in many aspects. Based on the research, the most important aspect which was defined is financial dependency. It directly influences the number of employees and above all the budget for marketing activities. The budget cut at the end of 2013 caused many crucial changes within the local company, specifically; rationalization, marketing budget cut, and local warehouse shutdown. These factors have directly affected the company's growth, its competitiveness and the overall selling performance which indirectly influenced and further will influence also the selling performance of the Artline solution.

According to majority of respondents, Artline solution has got still big potential on the Czech market, even though it is not as big as it was after its launch in 2012. At that time, the company could have used the potential more and gain bigger market share and thus also brought higher profit due to higher sales. Nevertheless the launch is perceived as successful, mainly due to lower price with comparison to its direct competitors Schüco and Sky-frame and other facts explained earlier in this chapter.

Particular recommendations resulting from the research can be possibly used during the upcoming launch of Artline XL, which is an innovative version of Artline. Even though Artline XL is currently already offered by Sapa s.r.o., no real launch has been done so far. The almost perfect similarity assumes the proposals to be effective; however it must be taken into account that some of the difficulties and the overall situation explained above will be rather complicated to change within the local company. The most important decisions are in competency of Sapa Building System.

The topic of comparing potential of the Czech market and other markets, where Sapa Building System operates, might be very interesting as a topic for any further research. It would show, whether the decision of the budget cut was really a good strategic step within the company, or not. Eventually investigating to which extend should the company standardize or adapt its international marketing strategy would be fascinating topic with potentially useful outcome as well.

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## 7. Supplements

Logo of Sapa Building System



Logo of Schüco company



Logo of Sky-frame company



Picture 28 – Average spending on residential housing in regions of the CR  
Source: Czech Statistical Office



Questionnaire – Artline

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Dear Mrs, Dear Mr.,

My name is Tomáš Petr and I am a 5<sup>th</sup> year student of the Czech University of Life Sciences in Prague. I address you because I would like to kindly ask you for your help with my Diploma thesis through this short questionnaire. Its topic is Evaluation of New Product Launch (Artline by Sapa Building System) and I hope your experiences will contribute to the practical part of my thesis.

The results will be used only for this study purposes.

I would like to thank you very much indeed for your contribution, I really appreciate it.

Tomáš Petr

[petrtomas@volny.cz](mailto:petrtomas@volny.cz)

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**ARTLINE**®  
LIGHT IS MORE

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## Questionnaire – Artline

Name .....  
Country .....  
Position/Responsibility .....

1. Do you have any experience with Artline as a product? If yes, to which extent?

Low ..... Expert

2. To which extent is Artline sold in your country (market)?

Very rare ..... Often

3. What is the potential of Artline in your country (market)?

Low ..... Huge

4. How do you perceive Artline in comparison to other SAPA products?

Replaceable ..... Unique

5. How do you perceive Artline in comparison to products from competitors (Skyframe, Scücho, others in your country)?

Not even competitive ..... Unique

6. How important do you perceive the following attributes?

1 - important, 5 - not important                      Percentage %

Functionality .....                      .....

Efficiency .....                      .....

Design .....                      .....

7. How do you perceive Artline (in total) in terms of Functionality, Efficiency and Design?

Low end ..... Top end

8. Should the *effort* and *finances* invested in marketing communication of Artline be:

- Decreased
- Remain the same
- Increased

9. What groups of customers/target groups are the most important in connection with Artline in your country (market)?

1 – most important, 4 – least important	Percentage %
Architects .....	.....
End users/Investors .....	.....
Fabricators .....	.....
Building companies .....	.....

10. What is the most frequently used kind of *marketing communication* when targeting the customers/target groups? (more answers possible)

1 – internet	2 – press	3 – direct mail	4 – seminars
5 – personal marketing	6 – trade fair (expo)		
Architects .....			
End users/Investors .....			
Fabricators .....			
Building companies .....			

11. Do you perceive lack of *Finances* as a limitation to success of Artline?

- YES
- NO

12. Do you perceive *Quantity of marketing/sales people* as a limitation to success of Artline?

- YES
- NO

13. Do you perceive *Quality of marketing/sales people* as a limitation to success of Artline?

- YES
- NO

14. Do you perceive relatively *complicated process of Logistics/Supply chain* as a limitation to success of Artline?

- YES
- NO

15. Do you perceive *Marketing activities (quantity and quality)* as a limitation to success of Artline?

YES NO

16. Do you perceive *Technical support* as a limitation to success of Artline?

YES NO

17. What areas do you perceive as the biggest problem connected with Artline and its way to the market?

.....  
.....  
.....  
.....  
.....

18. What were the most important facts/steps which helped to success Artline in your country (market)?

.....  
.....  
.....  
.....  
.....

19. What would help Artline to success on the Czech market?

.....  
.....  
.....  
.....  
.....

**Thank you very much for your contribution!**

Dotazník – Artline

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Vážená paní, Vážený pane,

Jmenuji se Tomáš Petr a jsem studentem 5. ročníku Provozně ekonomické fakulty České Zemědělské Univerzity v Praze. Oslovuji Vás, jelikož bych Vás rád pomocí tohoto krátkého dotazníku požádal o spolupráci s mojí Diplomovou prací, jejímž cílem je zhodnotit uvedení produktu Artline na český trh.

Výsledky dotazníku slouží pouze pro účely této Diplomové práce a jsou zcela anonymní.

Odpovědi prosím zašlete na níže uvedenou e-mailovou adresu.

Dovolte mi předem poděkovat za Vaši spolupráci, které si velice vážím.

Tomáš Petr

[petrtomas@volny.cz](mailto:petrtomas@volny.cz)

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**ARTLINE**®  
LIGHT IS MORE

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## Dotazník – Artline

Obor společnosti      Vyberte  
Váš profesní obor

**V otázkách dotazujících se na řešení Artline ho vnímejte s ohledem na účely dané stavby, nikoliv jako ultimátní/univerzální řešení.**

1. Máte nějaké *zkušenosti* s řešením Artline od společnosti Sapa Building System s.r.o.?  
Pokud ano, v jaké míře?

Malé                  Expert

2. Jak často se Artline realizuje v rámci staveb během období jednoho roku?

Počet realizací/rok

3. Jak byste do budoucna chtěli změnit počet realizací řešení Artline?

- Méně realizací  
 Stejný (podobný) počet realizací  
 Více realizací  
 Mnohem více realizací

4. Jaký vidíte potenciál v počtu realizací řešení Artline do *budoucna*?

Malý                  Obrovský

5. Jak hodnotíte řešení Artline z celkového pohledu?

Špatné řešení                  Dokonalé řešení

6. Jak hodnotíte řešení Artline z pohledu následujících vlastností?

1 = důležité, 5 = nedůležité

Procenta (celkem 100%)

Funkčnost      Vyberte  
Efektivita      Vyberte  
Design            Vyberte



7. Jak vnímáte řešení Artline ve srovnání s jinými produkty SAPA?

Neschopné konkurovat      Naprosto unikátní

8. Jak vnímáte řešení Artline ve srovnání s jinými konkurenčními produkty od jiných společností?

Neschopné konkurovat      Naprosto unikátní

9. Jaké jsou hlavní *výhody* řešení Artline oproti konkurenčním produktům?

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10. Jaké jsou hlavní *nedostatky* řešení Artline oproti konkurenčním produktům?  
(Nejen z pohledu technického)

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11. Prováděli byste realizaci Artline častěji za následujících podmínek?

	ANO	NE	NEMÁ VLIV
▪ Cena by byla výrazně nižší	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Produkt by byl kvalitnější	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Došlo by k technické inovaci produktu	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Technická podpora by byla ze strany Sapa kvalitnější	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Marketingová podpora by byla ze strany Sapa kvalitnější	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Dodávky by probíhaly včas	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Dodávky by probíhaly bez reklamací	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Probíhala by obecně užší spolupráce ze strany Sapa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
▪ Docházelo by k častějšímu kontaktu ze strany Sapa	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

12. Považuje úroveň technické dokumentace produktu Artline za dostačující?

ANO  NE

Případně doplňte Vaše výhrady:

13. Jaké jsou podle Vás nejdůležitější nedostatky bránící řešení Artline ve vyšší prodeji?

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14. Jak byste případně navrhovali tyto nedostatky řešit – co by napomohlo řešení Artline k jeho lepšímu prodeji na českém trhu?

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15. Jaký je nejčastěji používaný způsob komunikace ze strany Sapa?

- Seřadte od nejvíce používaných

- |                                    |                                 |
|------------------------------------|---------------------------------|
| 1. Přímé oslovení – mail           | 2. Přímé oslovení – telefonicky |
| 3. Přímé oslovení – osobní schůzka | 4. Internetové stránky          |
| 5. Brožury/letáky                  | 6. Semináře/školení             |
| 7. Veletrh                         | 8. Tisk                         |

, , , , , , , ,

16. Dostáváte pravidelně od společnosti Sapa novinky v podobě Newsletterů?

ANO  NE

Pokud ano, přáli byste si dostávat novinky častěji? ANO  NE

17. V jaké podobě byste si přáli dostávat novinky ohledně společnosti Sapa a jejích produktů?  
- Seřadte od nejvíce používaných.

- |                                 |                          |                             |
|---------------------------------|--------------------------|-----------------------------|
| 1. Newslettery                  | 2. Přímé oslovení – mail |                             |
| 3. Přímé oslovení – telefonicky | 4. Internetové stránky   |                             |
| 5. Brožury/letáky               | 6. Semináře/školení      | 7. Nedostávat novinky vůbec |

, , , , , , ,

18. Navštěvujete stránky společnosti Sapa?

ANO  NE

Pokud ano, za jakým účelem?

19. Je pro Vás komunikace skrze vaše firemní internetové stránky se zákazníkem v rámci propagace produktů/služeb důležitá?

ANO  NE

20. Jak často jsou doplňovány (aktualizovány) informace týkající se nabízených produktů/služeb na vašich internetových stránkách? Vnímáte časté aktualizace informací za důležité?

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21. Jaký z uvedených prostředků (podpory prodeje) je dle Vás pro koncového uživatele nejvíce zajímavý z pohledu sběru informací o produktu? Seřadte dle důležitosti.

- |                  |                    |                        |
|------------------|--------------------|------------------------|
| 1. Brožura/leták | 2. Kniha referencí | 3. Internetové stránky |
|------------------|--------------------|------------------------|

, ,

Případně doplňte další variantu:

22. Jsou podle Vás reference realizací pro koncového zákazníka důležité?  
(jak v podobě referenční knihy, tak na internetových stránkách)

ANO  NE

23. Vnímáte reklamu v některých z níže uvedených komunikačních prostředcích?  
Seřadte dle nejvíce vnímaných.

- |  |                                  |
|--|----------------------------------|
| 1. B2B časopisy - odborné                      | 2. B2C časopisy                  |
| 3. Noviny                                      | 4. Internetové stránky - odborné |
| 5. Internetové stránky – pro koncové zákazníky |                                  |

, , , ,

24. Pokud čtete odborný tisk či odborné internetové stránky, uveďte konkrétní názvy dle nejčtenějších:

\_\_\_\_\_

25. Je jednání ze strany SAPA korektní (dodržování smluvních podmínek atd.)?

ANO  NE

Pokud NE, tak v čem není?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

26. Váš prostor pro jakékoliv poznámky

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Děkuji mnohokrát za Váš čas.**